



CHINO BASIN WATERMASTER

III. REPORTS / UPDATES

E. INLAND EMPIRE UTILITIES AGENCY

1. Recycled Water Update
2. MWD Water Rates and Budget Update
3. Rialto Pipeline Shutdown Update
4. IEUA Monthly Water Newsletter
5. Monthly Water Use Report
6. State and Federal Legislative Reports
7. Community Outreach/Public Relations Report
8. Peace II PEIR Schedule



CHINO BASIN WATERMASTER

ADVISORY COMMITTEE

February 18, 2010

AGENDA

INTERAGENCY WATER MANAGERS' REPORT

Chino Basin Watermaster

9641 San Bernardino Road

Rancho Cucamonga, CA 91730

Discussion Items:

- Recycled Water Update (powerpoint) - oral
- MWD Water Rates and Budget Update – oral
- Rialto Pipeline Shutdown Update - oral

Written Items:

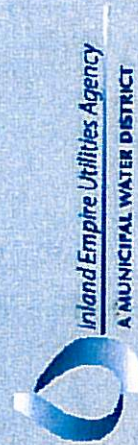
- IEUA Monthly Water Newsletter
- Monthly Water Use Report (handout)
- State and Federal Legislative Reports
- Community Outreach/Public Relations Report
- Peace II SEIR Schedule

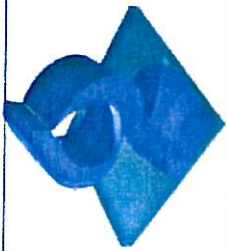
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Recycled Water Program Strategies



FEBRUARY 2010





Overview



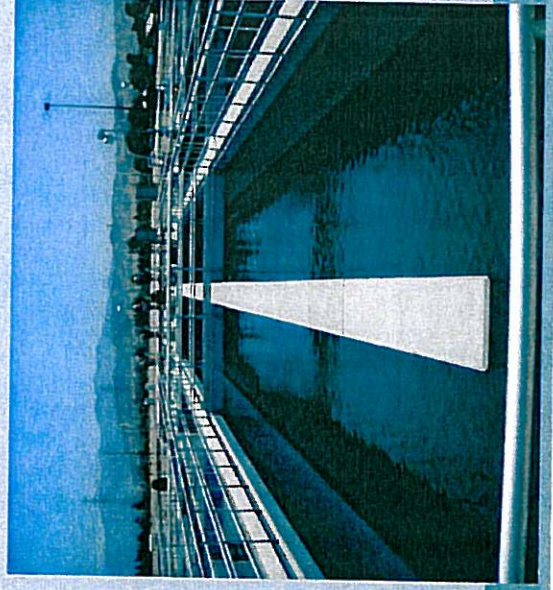
- Regional Recycled Water System Overview
- Current Recycled Water Supply & Demand
- Recycled Water Demand Peaking Factor
- Three Year Business Plan Goal: Supply & Demand
- Ultimate Recycled Water: Supply & Demand



IEUA Water Recycling Facilities



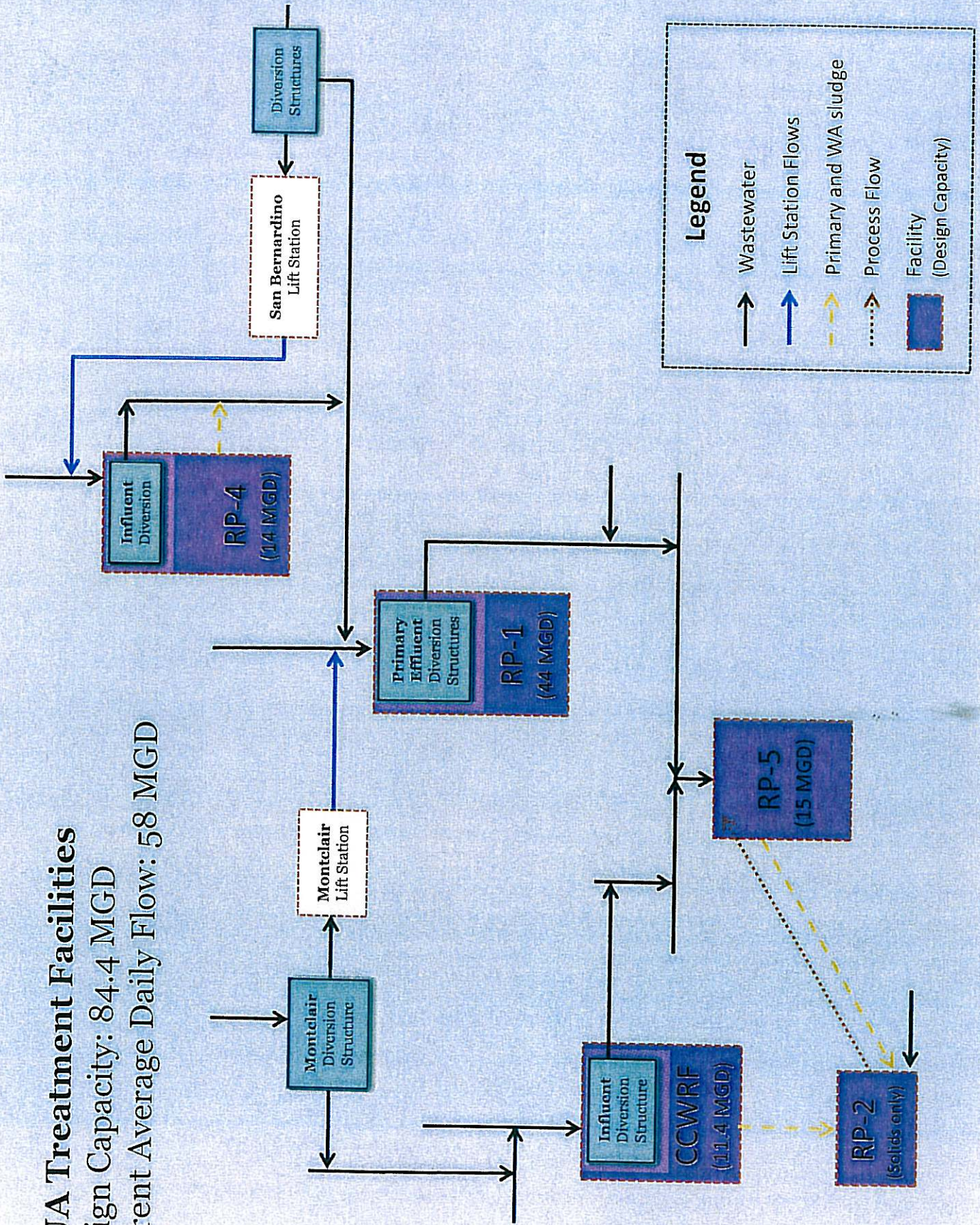
- Four Water Recycling Facilities
 - Regional Plant No. 1 – Ontario
 - Regional Plant No. 4 – Rancho Cucamonga
 - Regional Plant No. 5 – Chino
 - Carbon Canyon Water Recycling Facility – Chino
- Influent Flow Levels
- Recycled Water Demand



IEUA Treatment Facilities

Design Capacity: 84.4 MGD

Current Average Daily Flow: 58 MGD





Recycled Water Supply & Demand Forecast



	Current	Short Term	Ultimate
Plant Capacity	84 MGD	84 MGD	105-110 MGD
Projected Wastewater Influent	58 MGD	60 MGD	105 MGD
RW Storage	9 MG	20.5 MG	41.5 MGD
RW Connected Demand	27 MGD (30,300 AFY)	49 MGD (55,000 AFY)	82 MGD (91,746 AFY)

AF thousands	Current Fiscal Year	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
Direct AF Sales	22	25	28	32	34	38
GWR AF Sales	10	15	17	18	19	20
	32	40	45	50	53	58



Recycled Water: Pump Station Improvements



	Current	Short Term	Ultimate
Plant Capacity	84 MGD	84 MGD	105-110 MGD
Projected Wastewater Influent	58 MGD	60 MGD	105 MGD
RW Storage	9 MG	20.5 MG	41.5 MGD
RW Connected Demand	27 MGD (30,300 AFY)	49 MGD (55,000 AFY)	82 MGD (91,746 AFY)

Short Term Recycled Water Facilities:

- RW Pump Capacity (+54 MGD)
- Expansion of RP-5 RWPS from 4 to 10 MGD (+6 MGD, June 2010)
- 1630 E Pump Station (+13 MGD, Sep 2010)
- 1630 W Pump Station (+ 9 MGD, Sep 2011)
- Expansion of RP-5 RWPS from 10 to 14 MGD (+4 MGD, Spring 2012)
- Increase CCWRF PS capacity from 9 to 18 MGD (+9 MGD, Spring 2012)
- Increase RP-1 930 PS capacity from 26 to 39 MGD(+13 MGD, Spring 2012)



Recycled Water: Storage Improvements



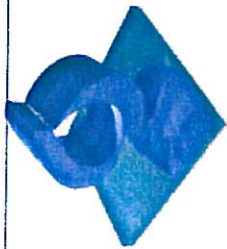
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RW Storage	9 MG	20.5 MG	41.5 MGD
RW Connected Demand	27 MGD (30,300 AFY)	49 MGD (55,000 AFY)	82 MGD (91,746 AFY)

Short Term Storage Facilities (+ 11.5 MG):

- 1299 Reservoir (3.5 MG)
- 930 Reservoir (5 MG)
- 1630 Reservoir (3 MG)

Long Term Storage Facilities (+20.5 MG):

- 1158 Reservoir (+ 2MG)
- 1630 W Reservoir (+ 3 MG)
- 1630 E Reservoir (16 MG)

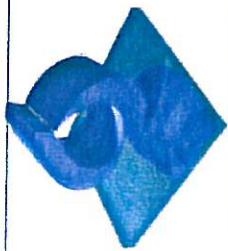


Recycled Water Capital Projects Schedule



Projects	Estimated Completion
RP-5 RWPS Expansion, Phase I, (+ 6 MGD pumping to 800 zone)	May 2010
RP-1 PRV 1158 to 1050 (increase flow to 930 by xx MG, from 26 MGD)	June 2010
Prado Sleeve Valve Modification to reduce flow to Prado	Aug 2010
930 to 800 zone Flow Meter	Oct 2010
NE Area Projects: 1299 E & 1630 E Pipeline, 1630 E Reservoir, 1299 E Reservoir Monitoring Wells for San Sevaine & Victoria Lysimeters for San Sevaine & Victoria	Sep 2010 Mar 2010 Mar 2010
NW Area Projects (1630 W Reservoir, PS and Pipeline)	Sep 2011
Southern Area Projects: 930 Reservoir & Pipeline CCWRF 930 PS Expansion RP-1 930 PS Expansion RP-5 RWPS Expansion Phase II	Summer 2010*

* Design completion date; project approval pending funding



Recycled Water Supply & Demand Forecast



	Current	Short Term	Ultimate
Plant Capacity	84 MGD	84 MGD	105-110 MGD
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RW Storage	9 MG	20.5 MG	41.5 MGD
RW Connected Demand	27 MGD (30,300 AFY)	49 MGD (55,000 AFY)	82 MGD (91,746 AFY)

RW Connected Demand:

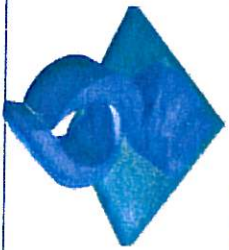
- Short Term
 - Direct Delivery (40,000 AFY), GWR (15,000 AFY)
- Ultimate
 - Direct Delivery (65,000 AFY), GWR (26,800 AFY)



Recycled Water Monthly Peaking Factor



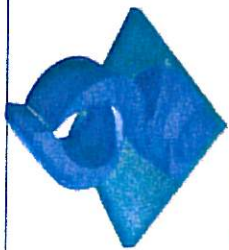
RW User Type	Peaking Factor (2006 – 2008)
Golf Courses	2.0
Landscape Irrigation	1.6
Agricultural Irrigation	1.7
Industrial	1.7
Cooling Tower	1.9



Recycled Water Demand



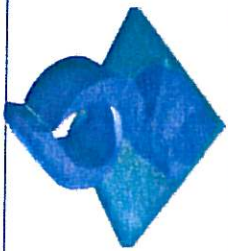
RW User Type	Actual Usage FY 07-08 (AFY)	Short Term Demand (AFY)	Ultimate Demand (AFY)
Prado Lake	1,030	3,000	3,000
Golf Course	1,196	4,500	9,000
Landscape Irrigation	2,278	14,500	37,000
Agricultural Irrigation	3,998	13,000	5,000
Industrial	50	1,500	6,000
Cooling Tower	1,102	3,500	5,000
Total Direct Sales	9,654	40,000	65,000
Groundwater Recharge	2,343	15,000	27,000 - 33,000
Total RW Demand	11,997	55,000	92,000 - 98,000



Recycled Water Ultimate Demand



Water Purveyor	Ultimate RW Demand (AFY)
CVWD	17,000
City of Chino	16,000
City of Chino Hills	6,000
Fontana Water Company	4,000
IEUA	27,000 – 33,000
MVWD	400
City of Ontario	19,000
City of Upland	2,000
Total	91,400 - 97,400 AFY



Recycled Water Supply & Demand



Recycled Water Supply (AF/Month; MGD)													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Max Supply
Short Term (40,000 AFY direct)	3,698	4,524	5,342	4,044	2,582	3,234	1,824	2,058	2,086	2,056	3,471	5,076	5,500 - 5,700 AF/Month
	39.6	48.5	57.3	43.3	27.7	34.7	19.6	22.1	22.4	22.0	37.2	54.4	60 MGD
Ultimate (65,000 AFY direct)	6,614	6,957	8,560	6,863	4,615	4,244	3,559	3,176	3,309	3,152	5,357	8,539	9,700 - 9,900 AF/Month
	70.9	74.6	91.7	73.6	49.5	45.5	38.1	34.0	35.5	33.8	57.4	91.5	105 MGD

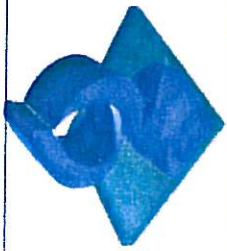
The demands are met for the peak demands in the short term and ultimate
Does not show the additional flexibility available with the recycled storage



Demand Management



- Operational Goal
 - Industrial and irrigation demands met by coordinated demand management system
 - Recharge all surplus recycled water into ground water recharge
 - Quarterly meetings are being scheduled with large customers and member agencies to:
 - Potentially schedule to offset large agricultural users demands
 - Work with Parks and Schools to irrigate within their district on alternate days



Conclusion



- Short Term (Business Plan - 50,000 AFY) Strategy:
 - IEUA RW storage capacity increase
 - ✦ From 9 MG to 12.5 MG by Summer 2010
 - ✦ From 12.5 MG to 20.5 MG by Summer 2012

- Long Term (Ultimate– 98,000 AFY) Strategy:
 - IEUA RW Operational capacity increase
 - ✦ Phase the increase in capacity to meet the demands
 - IEUA RW storage capacity increase
 - ✦ Phase the storage capacity increases to meet the demands

- Demands will be optimized by Demand Management

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IEUA MONTHLY WATER NEWSLETTER

FEBRUARY 2010 (REPORTING JANUARY 2010 DATA)

Highlights

- **Imported Water Supplies Remain Hindered, Despite Recent Storms** - Problems in the Delta continue to hamper water availability throughout the state. (Page 1)
- **IEUA Recharges Over 3,000 AF for Second Consecutive Month** - IEUA recharged 520 AF of recycled water and 2,600 AF of stormwater in January. (Page 2)
- **IEUA Exceeds Tier I Limit by 8,500 AF in Calendar Year 2009** - IEUA went into Tier II for the third consecutive year. (Page 2)

Water Supply & Drought Update

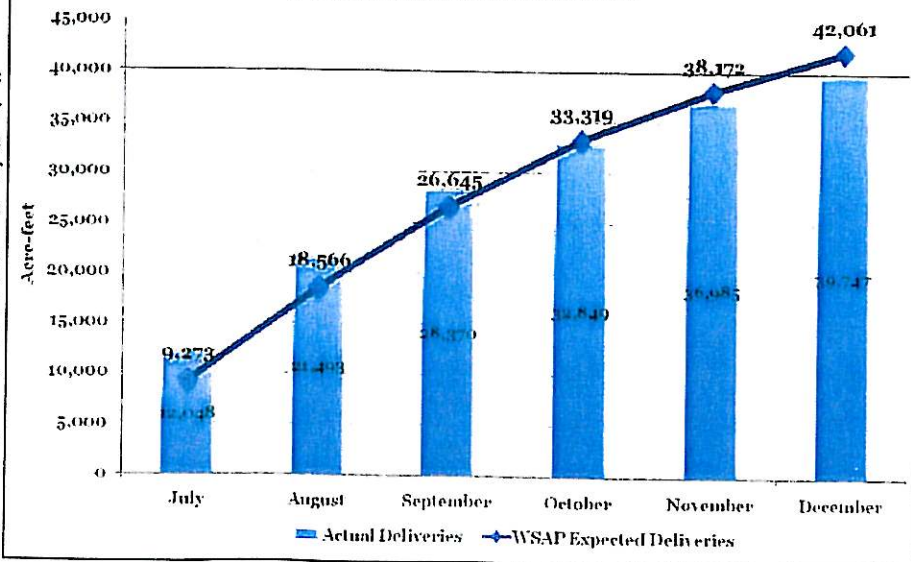


On January 25, in a news release, the Metropolitan Water District of Southern California (MWD) cautioned consumers not to be left with a misperception that the region's water supply problems were over after the January storms (from which the IEUA region received anywhere from 7—10 inches). MWD general manager Jeffrey Kightlinger said, "...the Southland and other parts of California must continue to deal with continued shortages because of the effects of three years of statewide drought and the Delta's deteriorating environmental conditions." MWD's assistant general manager Debra Mann noted that due to the current Delta situation, MWD's largest reservoir, Diamond Valley Lake, still remains half full after the January storms.

MWD's WSAP Update

For the first six months of performance under the MWD Water Supply Allocation Plan, IEUA's service area has received delivery of 39,747 AF, which is 6% under the Plan's expected delivery of 42,061 AF. This includes all expected DYY certifications for the second "call" year (May 2009—April 2010). Overall, the combined regional deliveries to MWD's service area are approximately 10% less than anticipated under the Plan.

IEUA Cumulative Imported Water Performance Tracker



IEUA Water Supply Programs

Imported Water Deliveries

For Calendar Year 2009, IEUA and its member agencies exceeded their Tier I limit (59,792 AF) by approximately 8,500 AF. This includes all expected DYY certifications for the second "call" year.

Dry Year Yield (DYY) Program

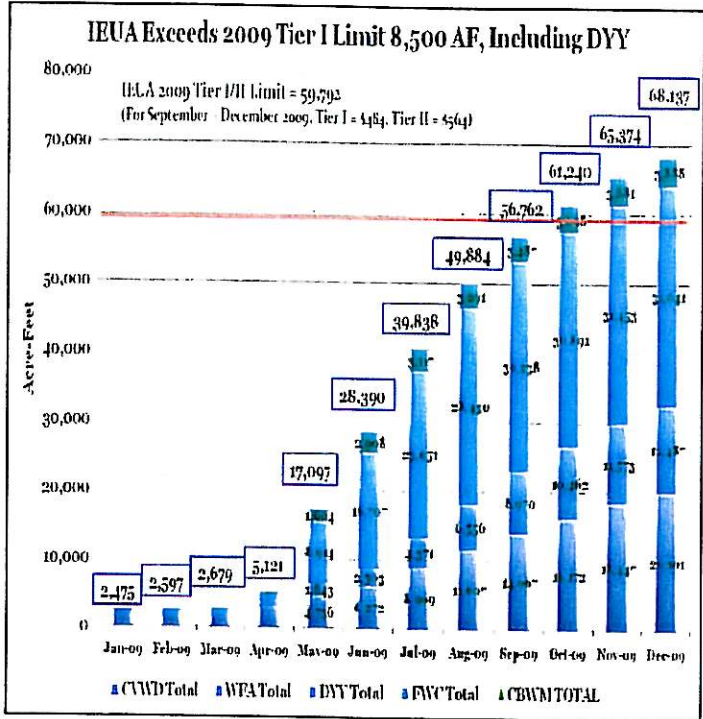
Through December of the second "call" year, IEUA DYY participants certified that they have pumped 31,047 AF (100% of IEUA's obligation of 31,000 AF) from the groundwater storage account. The City of Pomona has also certified 2,000 AF.

Chino Desalter Authority (CDA)

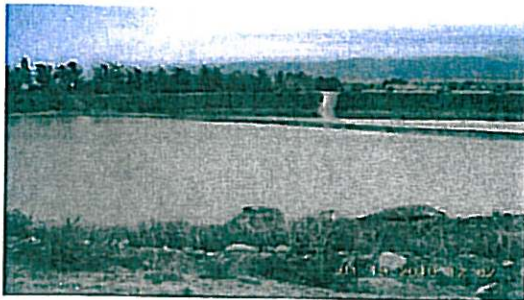
For the month of January, the two desalters produced 2,258 AF of water (of which 1,288 AF was delivered to IEUA retail agencies). The contracted entitlement is 24,600 AFY (but actual production is 25,000 to 26,000 AFY) and it is scheduled to be expanded to approximately 40,000 AFY by 2012, with the implementation of CDA Phase III.

Groundwater Recharge Program

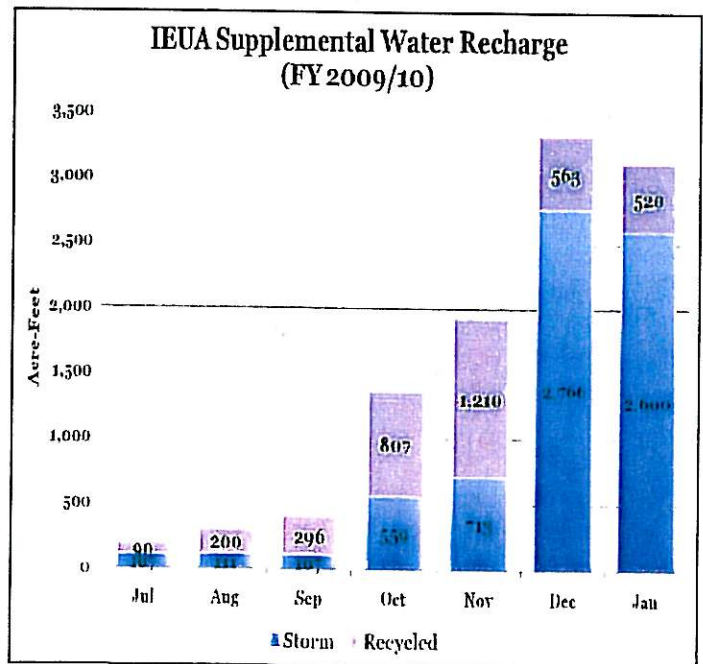
In January 2010, with the rainfalls, approximately 2,600 AF of storm water was captured. In addition, approximately 520 AF of recycled water was recharged.



Storm Water-Montclair Basin



Victoria Basin

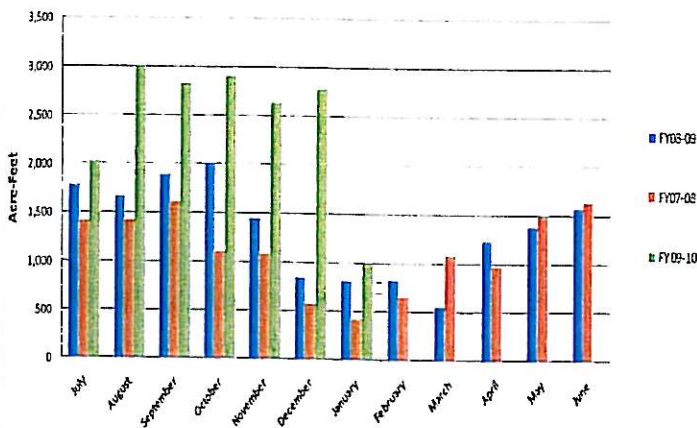


IEUA Water Supply Programs (continued)

Member Agency's Update: City of Ontario

Kaiser Hospital will receive Recycled Water from the IEUA. The original hospital facility was constructed in 2004 and is currently using Recycled Water for landscape irrigation purposes and was previously using potable water for cooling towers.

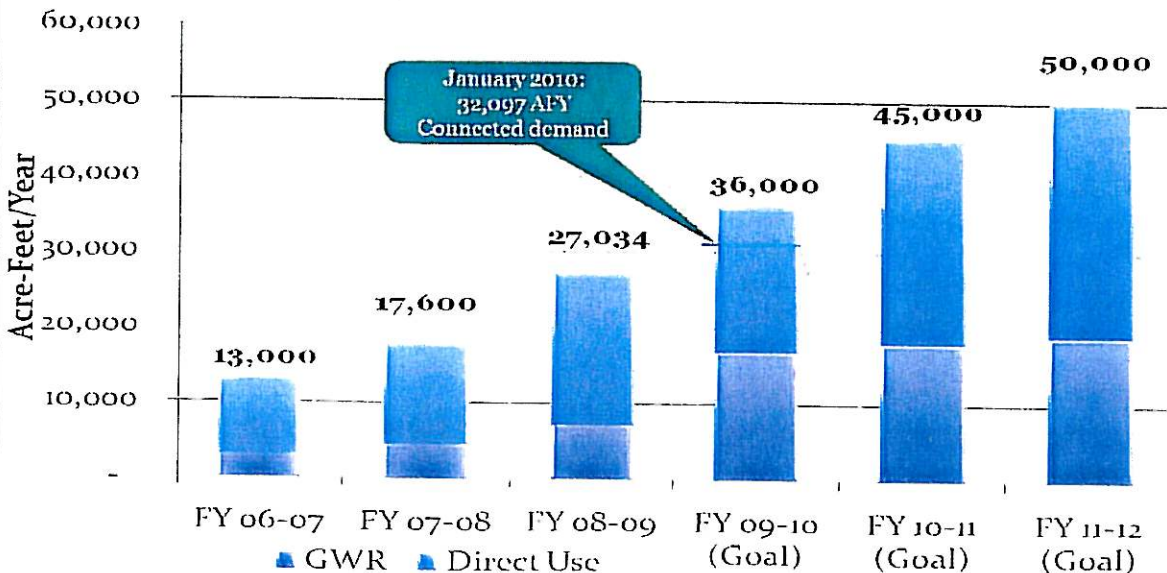
The new retrofit has converted four (4) cooling towers' water from potable to Recycled Water. Expected Recycled Water demand at the cooling towers will be approximately 37 AF per year (12 million gallons per year). With this new connection, the connected demand for the FY 09/10 has increased to a total of 32,097 AFY.



Recycled Water Usage: Jan 2010 Estimates

Recharge: 520 AF
 Direct Sales: 480 AF
 Total Usage: 1,000 AF

IEUA Recycled Water Connected Demand



Conservation Program News

MWD Conservation Programs—Rebates

As of January 31, 2010, the CII Save-A-Buck Program is no longer accepting new reservation requests. All FY 2009-10 CII funding has been reserved and any unused funding from expired reservations will be returned to the budget and remain as a surplus. The So Cal Water Smart Program has begun ramping up marketing and public outreach to increase program activity. Overall, only 13% of the FY 2009-2010 residential program budget has been expended.

MWD Conservation Programs

Early in January, MWD staff presented a revised FY 2010-11 “draft” conservation programs budget with several substantial changes. While the budget remains at \$19.1 for next year, a member agency match share may now be required for participation in MWD funded programs. In addition, residential and multi-family high efficiency toilet rebates will be discontinued in the regional program and may be offered under the Member Agency Administered Programs. The \$5.5 million allocated to Member Agency Administered Programs may be distributed on an allocation basis using each member’s total service area demand to determine the level of funding each agency would receive. The proposal will be formally introduced to the MWD Board in April 2010.

MWD Conservation Programs—Initial Long-Term Water Use Efficiency Program Planning

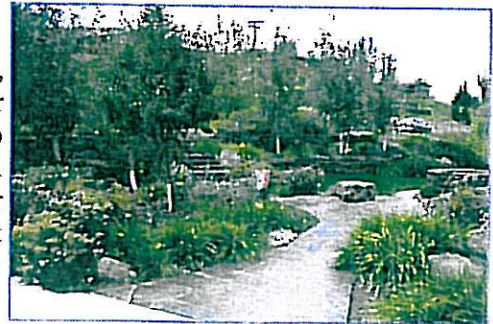
MWD staff are in the process of completing a water use efficiency program model workbook for the Long-term IRP Process. The “draft” workbook was presented to the conservation group in early January to review the document and request input from the members. Once member agency input is received and compiled, the workbook will be re-released during the second week in February for review. Due to the Full IRP schedule, only the Bridge Funding year (FY 2010-11) will be included in the conservation section of the IRP as a placeholder, with the full, long-term planning piece added at a later date. The next meeting is tentatively scheduled for mid- to late February.

Regional Long-Term Water Use Efficiency Business Plan

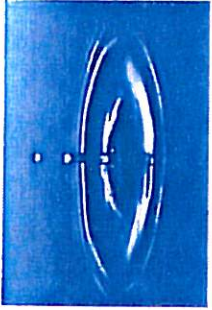
The WUE Business Plan is approximately 75% complete with a majority of the scope of work finished. The full plan is tentatively expected to be finalized by March 31, 2010. A workgroup meeting is scheduled for February 9, 2010 to review program evaluation and rankings, the program tracking tool module, potential new programs and cost-effectiveness.

Ontario Cares

The Ontario CARES Project was completed in December 2009, with great success. The final report was prepared in January for presentation to IEUA’s Board and the Conservation Workgroup in February 2010. Staff from both Ontario CARES and IEUA presented the completed project at the January MWD Water Use Efficiency Meeting and will also be presenting this project at the AWWA Conference on March 31, 2010.



Additional details on specific conservation and public outreach programs, as well as residential and CII rebates can be viewed on IEUA’s webpage at <http://www.ieua.org/conservation/conservation.html>.



IEUA Monthly Water Use Report – February 2010

The purpose of this report is to track IEUA and its member agencies water use on a monthly basis. Over the next 12 months, tracking water use will be essential to complying with the Drought Allocation Plan, Dry Year Yield Program and Tier I/Tier II limit.

Below is a summary of current water use and programs that IEUA and its member agencies are participating in. Attached are several tables and graphs representing overall water use and imported water purchases.

**IEUA EXCEEDS TIER I LIMIT BY 8,500 AF, BUT IS STILL
6% LESS THAN EXPECTED UNDER THE WSAP!**

Imported Water Deliveries

For the month of January, IEUA purchased 2,749.3 acre feet (AF) of Tier I water. IEUA also certified 7,049 AF, in 2009, through the DYY Program increasing the cumulative total for the calendar year to 68,137 AF (including DYY certifications). This puts IEUA over its IEUA's Tier I allocation of 59,792 AF by 8,345 AF.

Dry Year Yield (DYY) Program

IEUA member agencies certified an additional 7,049 AF in January. IEUA DYY participants have certified 31,047 AF (100% of IEUA's obligation of 31,000 AF).

Recycled Water Program

During the month of January, IEUA sold 1,000 AF (480 AF = direct sales, 520 AF = recharge). As of January 2010, IEUA has connected

32,097 AF of recycled water demand. IEUA is implementing a 3-Year Business Plan that will increase recycled water connected capacity to 50,000 AFY by 2010.

Chino Desalter Authority (CDA)

For the month of January, the two desalters produced 2,258 AF of water (of which 1,288 AF was delivered to IEUA retail agencies). The current production capacity is 24,600 AFY, and it is scheduled to be expanded to approximately 40,000 AFY by 2012, with the implementation of CDA Phase III.

Groundwater Recharge Program

In January 2010, IEUA recharged 3,120 AF of water (520 AF of recycled water and approximately 2,600 AF of stormwater).

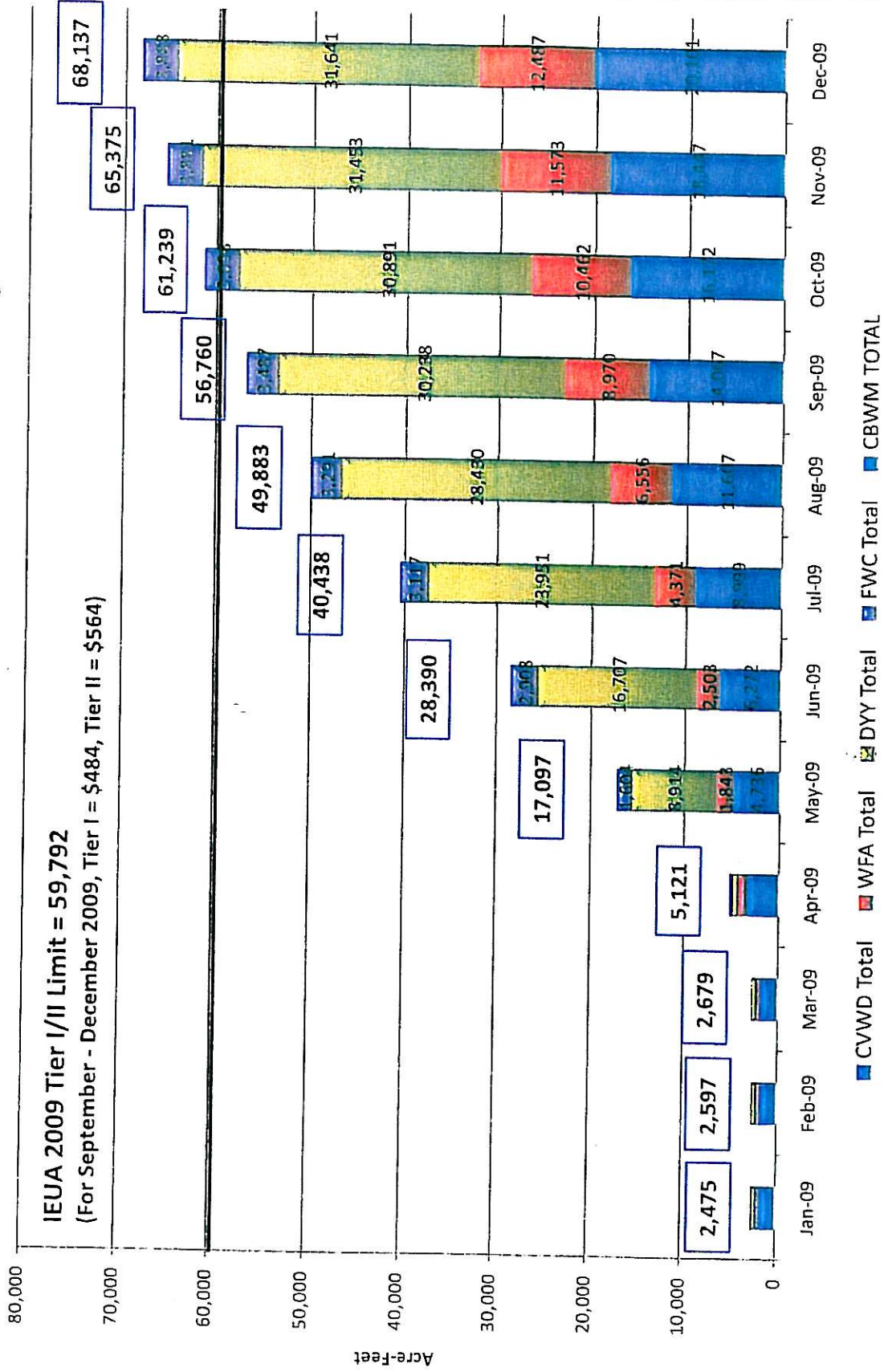
Attachments

- Attachment 1 – IEUA Calendar Year 2009 Full Service Deliveries, Including DYY (Graph)
- Attachment 2 – IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 3 – IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 4 – WFA Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 5 – WFA 2009 Imported Water Deliveries (Graph)
- Attachment 6 – CVWD Cumulative Full Service Imported Water Deliveries & Dry Year Yield (Graph)
- Attachment 7 – CVWD 2009 Imported Water Deliveries (Graph)
- Attachment 8 – FWC Cumulative Full Service Imported Water Deliveries (Graph)
- Attachment 9 – IEUA Imported Water Sales (Table)

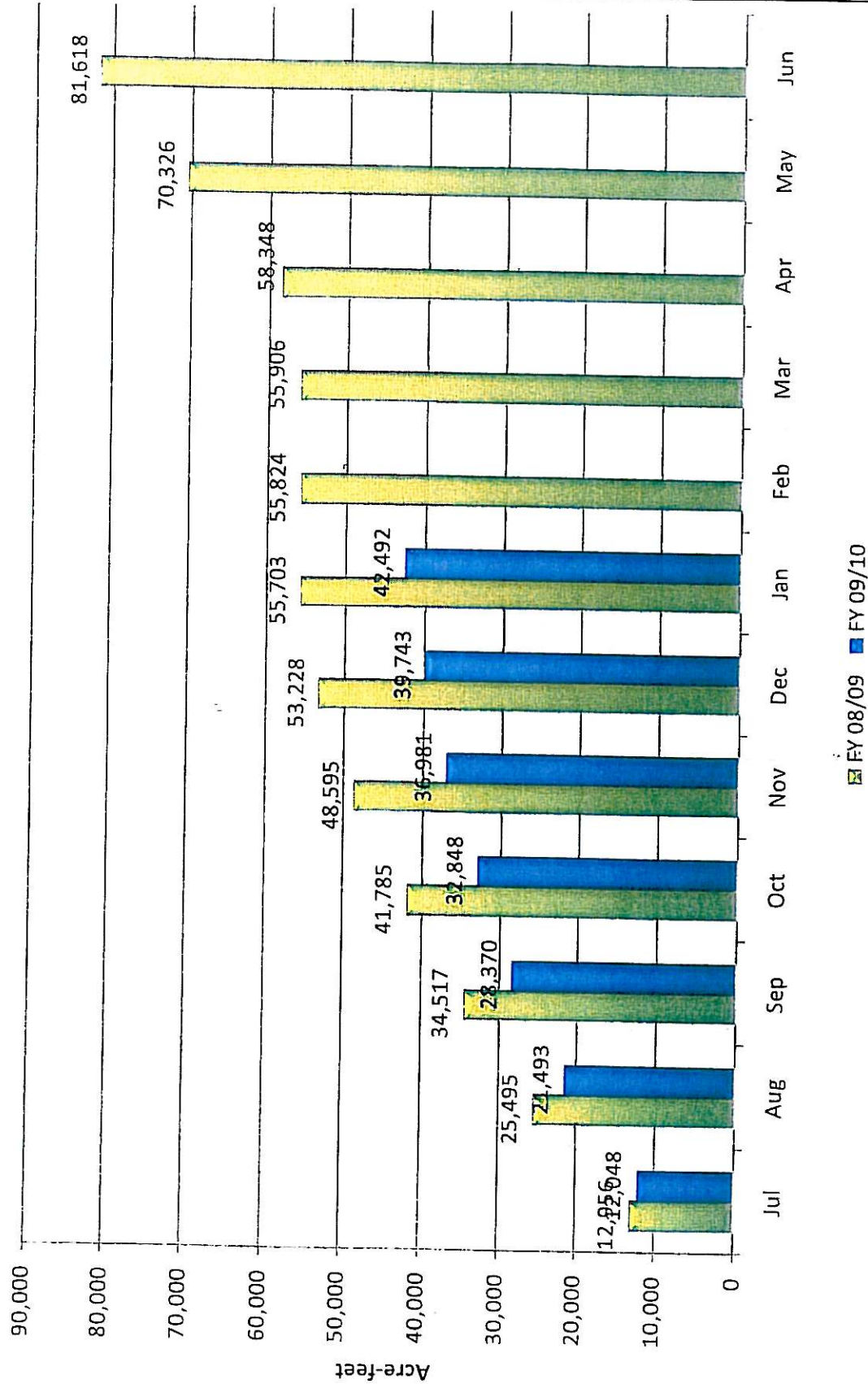
Attachment 1 IEUA Calendar Year 2009 Full Service Deliveries, Including DYD

IEUA 2009 Tier I/II Limit = 59,792

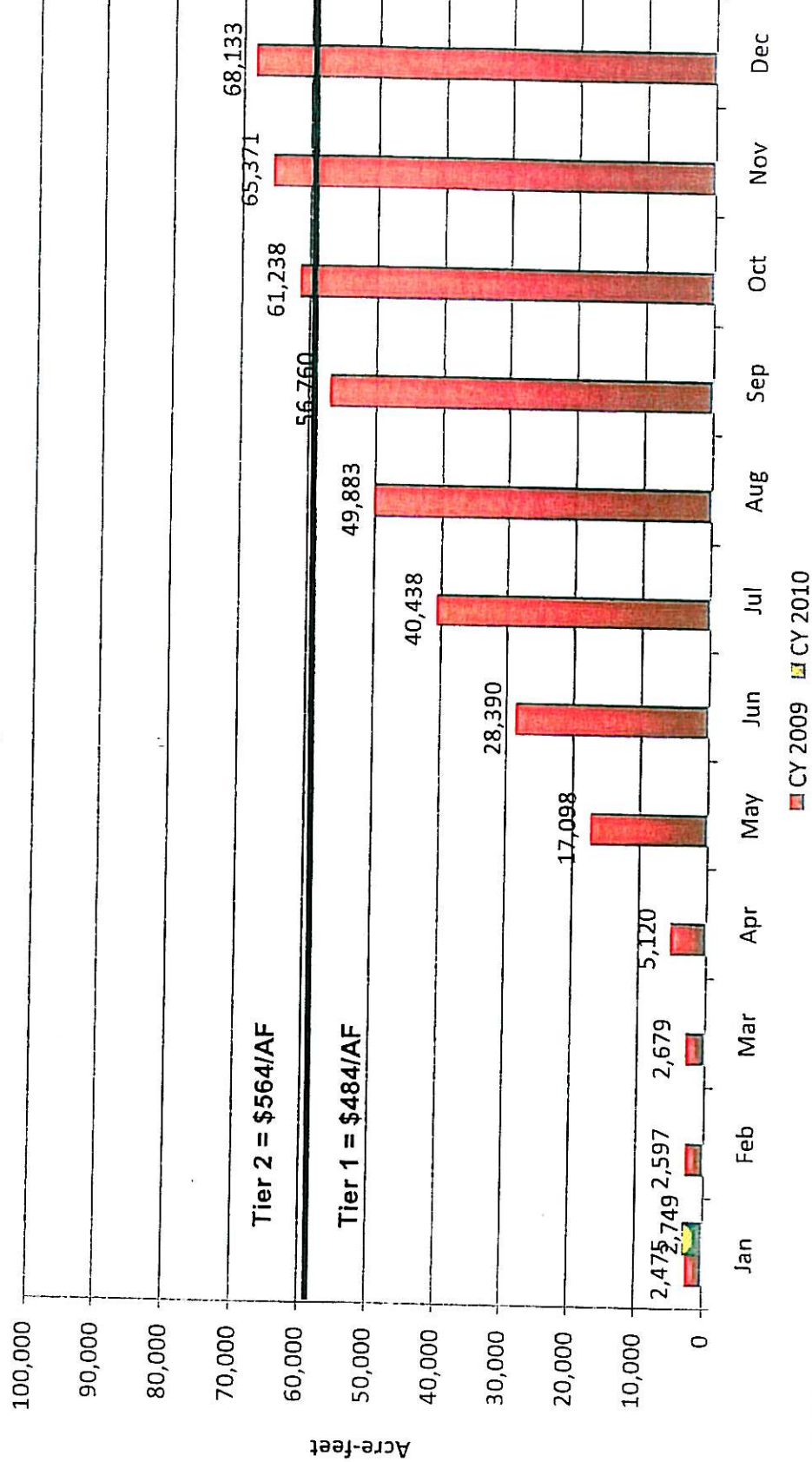
(For September - December 2009, Tier I = \$484, Tier II = \$564)



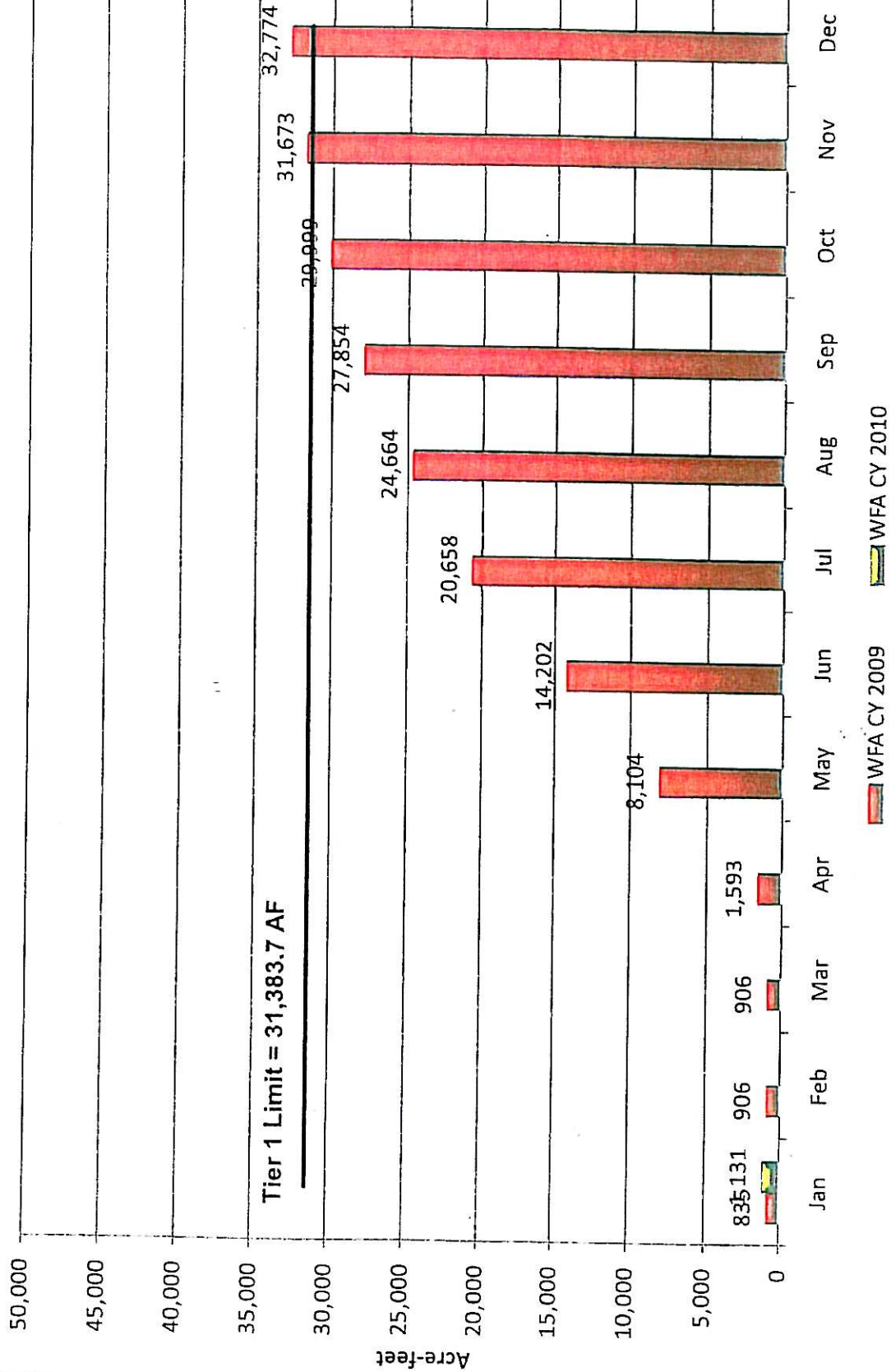
Attachment 2 IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield



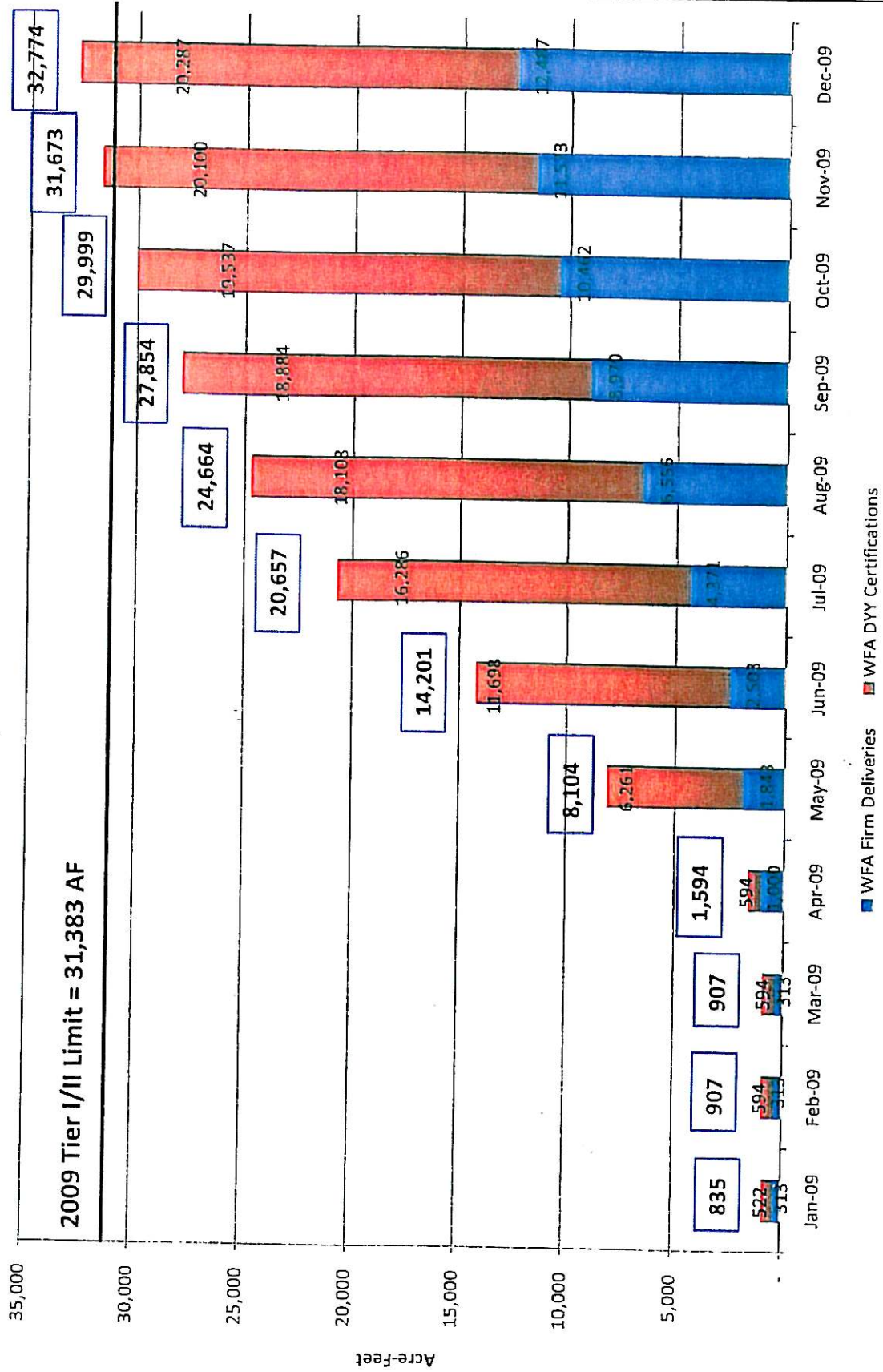
Attachment 3 IEUA Cumulative Full Service Imported Water Deliveries & Dry Year Yield



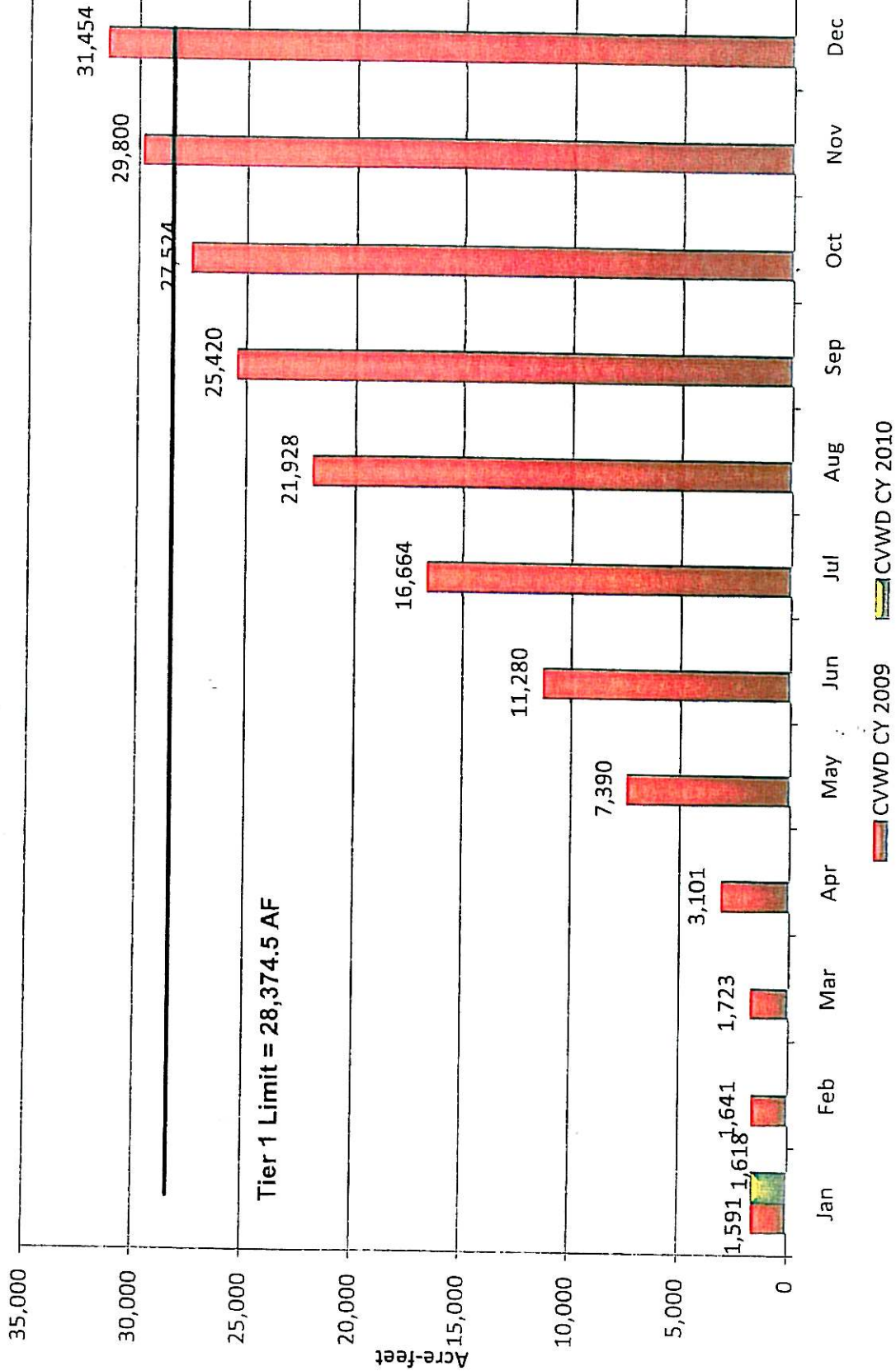
Attachment 4 WFA Cumulative Full Service Imported Water Deliveries & Dry Year Yield



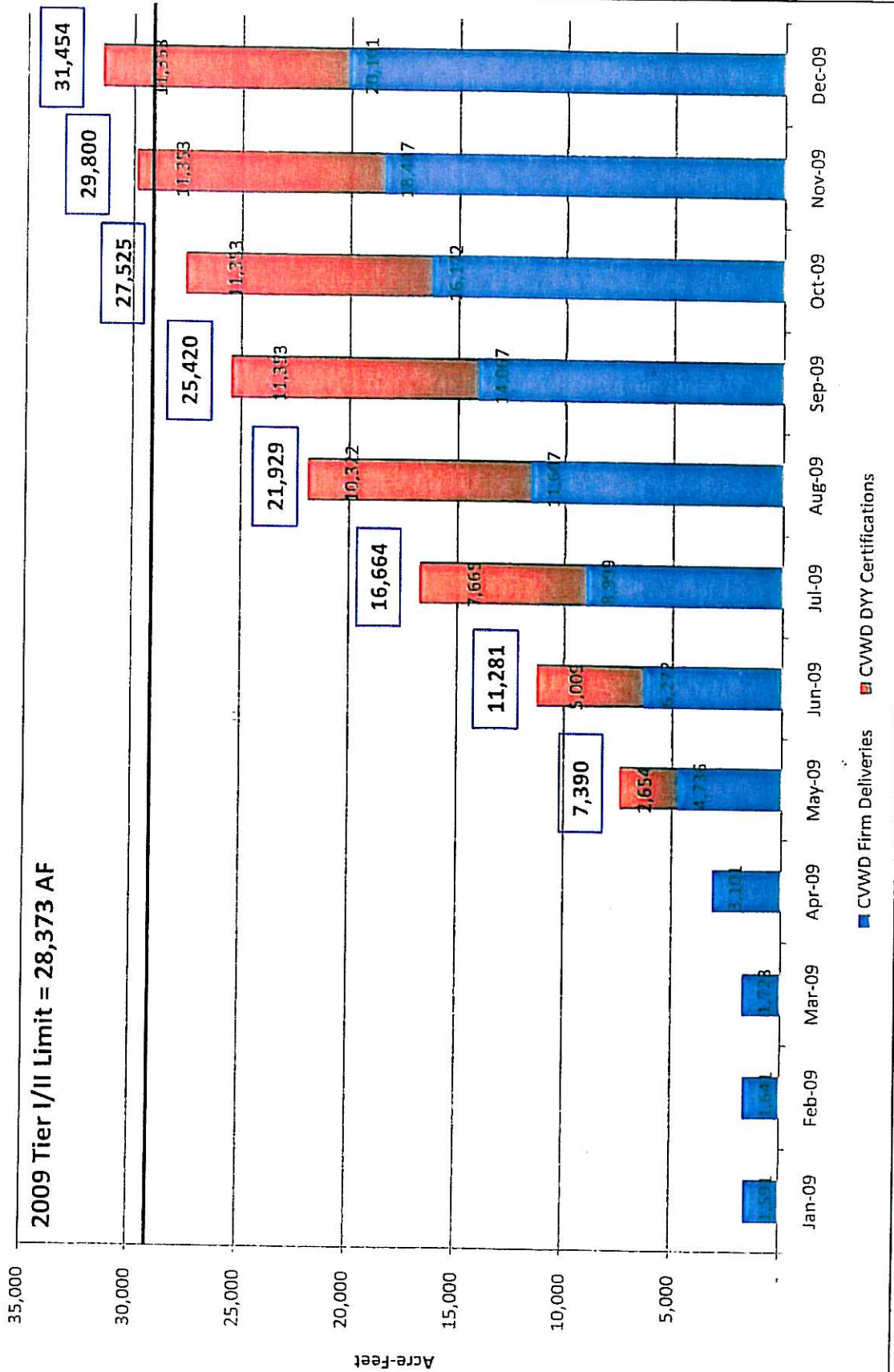
Attachment 5 WFA 2009 Imported Water Totals



Attachment 6 CVWD Cumulative Full Service Imported Water Deliveries & Dry Year Yield

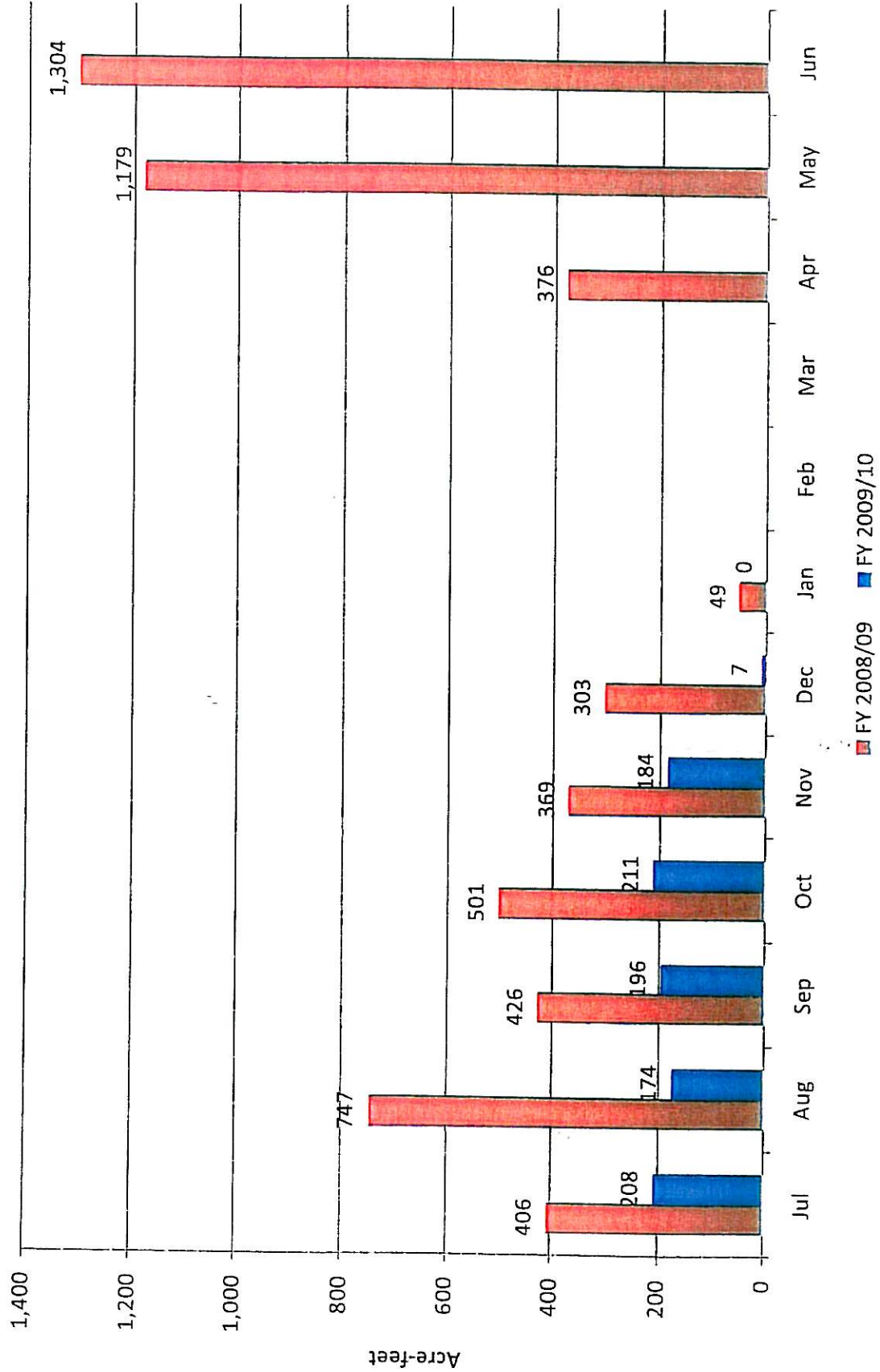


Attachment 7 CVWD 2009 Imported Water Totals



Attachment 8

FWC Monthly Full Service Imported Water Deliveries



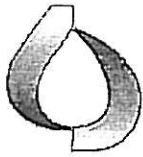
Attachement 9 Inland Empire Utilities Agency Imported Water Sales

2008 Imported Water Sales													
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Water Facilities Authority													
Direct Deliveries	2,333	1,282	2,555	3,088	1,332	1,682	2,730	3,450	2,913	2,836	1,444	1,060	26,705
Dry Year Yield					1,438	4,008	4,214	2,686	3,156	1,255	911	892	18,560
Sub-Total	2,333	1,282	2,555	3,088	2,770	5,690	6,944	6,136	6,069	4,091	2,356	1,952	45,265
Cucamonga Valley Water District													
Direct Deliveries	1,297	947	2,189	2,883	2,988	3,046	3,074	3,129	2,857	2,741	2,182	1,213	28,546
Dry Year Yield					1,603	2,016	2,532	2,527	0	44	1,499	1,131	11,352
Sub-Total	1,297	947	2,189	2,883	4,591	5,062	5,606	5,656	2,857	2,785	3,681	2,344	39,898
Fontana Water Company													
Direct Deliveries	0	0	0	0	0	15	406	747	426	501	369	303	2,767
Sub-Total	0	0	0	0	0	15	406	747	426	501	369	303	2,767
Inland Empire Utilities Agency													
Direct Deliveries	3,631	2,229	4,744	5,971	4,320	4,743	6,210	7,326	6,196	6,078	3,995	2,576	58,018
Dry Year Yield	0	0	0	0	3,041	6,024	6,746	5,213	3,156	1,299	2,410	2,023	29,912
TOTAL	3,631	2,229	4,744	5,971	7,360	10,767	12,956	12,539	9,352	7,377	6,406	4,599	87,930

2009 Imported Water Sales													
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Water Facilities Authority													
Direct Deliveries	312	0	0	687	844	660	1,868	2,184	2,414	1,493	1,111	913	12,486
Dry Year Yield	522	71	0	0	5,667	5,438	4,588	1,822	776	653	563	188	20,287
Sub-Total	834	71	0	687	6,511	6,098	6,456	4,006	3,190	2,146	1,674	1,101	32,773
Cucamonga Valley Water District													
Direct Deliveries	1,591	50	82	1,378	1,635	1,535	2,728	2,608	2,460	2,105	2,276	1,654	20,101
Dry Year Yield	0	0	0	0	2,654	2,355	0	2,657	1,032	0	2,656		11,354
Sub-Total	1,591	50	82	1,378	4,289	3,890	2,728	5,265	3,492	2,105	4,932	1,654	31,455
Fontana Water Company													
Direct Deliveries	49	0	0	376	1,179	1,304	208	174	196	211	184	7	3,888
Sub-Total	49	0	0	376	1,179	1,304	208	174	196	211	184	7	3,888
Chino Basin Watermaster													
Replenishment	0	0	0	0	0	0	0	0	0	17	3	0	20
Sub-Total	0	0	0	0	0	0	0	0	0	17	3	0	20
Inland Empire Utilities Agency													
Direct Deliveries	1,952	50	82	2,441	3,658	3,499	4,804	4,966	5,069	3,808	3,570	2,574	36,475
Dry Year Yield	522	71	0	0	8,321	7,793	4,588	4,479	1,808	653	3,219	188	31,641
Replenishment	0	0	0	0	0	0	0	0	0	17	3	0	20
TOTAL	2,474	121	82	2,441	11,978	11,292	9,392	9,445	6,877	4,479	6,792	2,762	68,136

2010 Imported Water Sales													
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Water Facilities Authority													
Direct Deliveries	1,131												1,131
Dry Year Yield													0
Sub-Total	1,131	0	0	0	0	0	0	0	0	0	0	0	1,131
Cucamonga Valley Water District													
Direct Deliveries	1,618												1,618
Dry Year Yield													0
Sub-Total	1,618	0	0	0	0	0	0	0	0	0	0	0	1,618
Fontana Water Company													
Direct Deliveries	0												0
Sub-Total	0	0	0	0	0	0	0	0	0	0	0	0	0
Chino Basin Watermaster													
Replenishment	0												0
Sub-Total	0	0	0	0	0	0	0	0	0	0	0	0	0
Inland Empire Utilities Agency													
Direct Deliveries	2,749	0	0	0	0	0	0	0	0	0	0	0	2,749
Dry Year Yield	0	0	0	0	0	0	0	0	0	0	0	0	0
Replenishment	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	2,749	0	0	0	0	0	0	0	0	0	0	0	2,749

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Inland Empire
UTILITIES AGENCY

Date: February 17, 2010
To: The Honorable Board of Directors
Through: Public, Legislative Affairs, and Water Resources Committee (02/10/10)
From: Richard W. Atwater
Chief Executive Officer/General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: January Legislative Report from Dolphin Group

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Michael Boccadoro provides a monthly report on the Dolphin Group's activities on behalf of the Chino Basin/Optimum Basin Management Program Coalition.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

RWA:MD

Enclosure

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January 29, 2010

To: Chino Basin/OBMP Coalition
From: Michael Boccadoro
President
RE: January Status Report



Please find attached the status report from The Dolphin Group for the month of January 2010.

Sacramento was largely quiet this month, as numerous leadership changes and the Governor's budget proposal created little room for action. In the Legislature, three of the four major leadership positions changed hands, and most other legislators were busy preparing their slate of bills for the upcoming session. All new measures must be introduced by February 19.

On January 8, the Governor unveiled his budget proposal. Yet again, the state's fiscal situation appears to be far short of balanced, and it is estimated that \$20 billion in fixes will be required to bring it into balance. The Governor called another special budget session (the third in two years) to deal with the current year shortfall (estimated to be \$6 billion). Provided some agreement can be reached in the special session, the remaining \$14 billion hole will have to be addressed this summer as part of the 2010-2011 budget discussion.

On the regulatory front, parties are preparing to push the CPUC to implement the feed-in legislation, SB 32 (sponsored by IEUA) as quickly as possible, and the Governor made two new appointments to the California Energy Commission and filled the vacancy at the CPUC.

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Chino Basin / OBMP Coalition

Status Report – January 2010

ENERGY/REGULATORY

SB 32 Implementation Awaits

With the California Public Utilities Commission apparently content to take their time to implement Senate Bill 32 (Negrete-McLeod D-Chino), supporters of the measure are pushing the Commission and parties to implement the measure as soon as possible.

SB 32 expands and improves the existing feed-in tariff (FiT) programs that were originally put in place by Assembly Bill 1969 (Yee – 2006). The bill aims to improve the price paid under the FiT program, as well as broaden participation by permitting existing net-energy metering customers to switch to a FiT contract.

Indications for CPUC staff point to a March date to begin consideration of the implementation, which likely means that full implementation of the bill would likely not occur until late 2010. Because the currently offered price for the FiT fell on January 1st by approximately 10%, and many parties are awaiting the implementation of SB 32 before signing a new contract, there is fear that this delay will endanger the execution of any new renewable projects under the FiT for months.

IEUA, the Dolphin Group and other parties have begun discussions with the Governor's office, the CPUC and the utilities to expedite this process. An all-party meeting is expected to be held in early February to ensure that implementation of the bill can occur as swiftly as possible.

DGI will continue to assist in urging the Commission to properly implement this measure as soon as possible.

Governor Appoints Two to Energy Commission and One to CPUC

Governor Schwarzenegger has appointed two new members to the California Energy Commission. Both appointments require the approval of the Senate.

Anthony Eggert, 37, has worked at the California Air Resources Board since 2007, with prior experience at the University of California system and the California Fuel Cell Partnership. **Robert Weisenmiller**, 61, has been principal and co-founder of the energy consulting company MRW and Associates since 1986.

There was also a vacancy at the California Public Utilities Commission that was created recently after the California Senate refused to reconfirm Commissioner Rachelle Chong. On

January 27, Governor Schwarzenegger appointed Nancy Ryan Ph.D., age 49, to the CPUC. She has been employed by the CPUC for years, with having served most recently as the Executive Director for Policy for the Commission, and prior to that as chief of staff for CPUC President Michael Peevey. Prior to that she worked for the Environmental Defense Fund.

LEADERSHIP CHANGES SWEEP LEGISLATURE

In just a matter of weeks, three of the four major leadership positions in the Legislature prepared to change hands, as termed-out leaders and new political opportunities created a major shift at the beginning of the year.

Senate President Pro Tem Darryl Steinberg (D-Sacramento) will be the only leader returning this year. On the Republican side, the caucus elected Bob Dutton (R-Inland Empire) to replace Dennis Hollingsworth (R-Murrieta) as the Minority Leader.

Both top spots in the Assembly changed hands, although for different reasons. Current Speaker Karen Bass (D-Los Angeles) will be termed out at the end of the year, and after a protracted political battle, Assemblymember John Perez (D-Los Angeles) will take over as Speaker on March 1st.

For the Republicans, the appointment of Abel Maldonado (R-Santa Maria) to the vacant Lieutenant Governor position created an opportunity for current Minority Leader Sam Blakeslee (R-San Luis Obispo) to run for Maldonado's Senate Seat. As a result, Martin Garrick (R-Carlsbad) will now lead the minority in the lower house.

Traditionally major budget negotiations have been conducted by the "Big Five" (the four leaders and the Governor). As a result, this significant change in leadership could have broad impacts on the impending negotiations over yet another tight budgetary year.

GOVERNOR RELEASES BUDGET PROPOSAL

With little fanfare and considerable concern amongst all the various constituencies, Governor Schwarzenegger unveiled his 2010-11 budget proposal on January 8. The \$82.9 billion proposal is aimed at funding the state's myriad of programs and activities in the face of a near \$20 billion shortfall.

Schwarzenegger made good on his promise earlier in the month and called a special emergency session of the Legislature to address the budget deficit attributable to the current fiscal year (\$6.6 billion). Under rules of such special sessions, the Legislature is required to act on the issue within 45 days or be prohibited from action on other items until the issue for which the session was called is resolved. This means budget followers are likely to see at least two budget rounds in 2010, with legislators tackling the \$6 billion earlier in the year, while saving the larger, more difficult problem for the traditional summer battle.

The following is an outline of the Governor's \$82.9 billion plan:

Spending Reductions/Cuts: \$8.5 billion in spending reductions proposed

- Including program eliminations, further reductions to various health and human services programs, a reduction to the anticipated level of funding for Proposition 98, substantial changes to employee compensation, and reductions to the Department of Corrections and Rehabilitation.

Transfers/Fees/Shifts & Revenues: \$3.9 billion in one time funding shifts

- **Key Component - Gas Tax Swap:** Eliminates the state's 6 percent sales tax on gasoline and replaces it with 10.8 cent increase in per-gallon excise taxes. (The shift allows the state to legally cut the funds it must pay to local governments for transportation projects and schools.)
- **Emergency Response Fee:** 4.8 percent surcharge on all residential and commercial property insurance to pay for the Department of Forestry, fire protection and emergency response capabilities.
- **Offshore Oil Drilling:** Seeks approval of offshore oil drilling in the Tranquillion Ridge.

Federal Assistance: Seeks \$6.9 billion in federal dollars. Failure to obtain federal monies will result in triggering additional cuts and revenue proposals:

- **Revenues: (additional \$2.4 billion)**
 - Extend suspension of a business's ability to reduce taxable income by applying net operating losses (NOL) from prior years to reduce current income (\$1.2 billion).
 - Extend reduction in the credit for each dependent on the personal income tax from \$319 to \$102 (\$504 million).
 - Delay use of business credits by unitary groups of corporations and instead retain current law which requires subsidiaries to have their own tax liability to use research and development and other credits (\$315 million).
 - Delay the change to the single sales factor allocation method for multi-state corporate income and instead retain the double weighted sales, property, and payroll formula (\$300 million).
 - Lower to 30 percent the first year phase-in of the ability of corporations to carry back losses two years to offset prior tax profits (\$20 million).
- **Spending Reductions: (additional \$4.6 billion)**
 - Eliminate the California Work Opportunity and Responsibility to Kids (CalWORKs) Program (\$1.044 billion).
 - Fund existing mental health services with Proposition 63 funds (\$847 million).

- Reduce Medi-Cal eligibility to the minimum allowed under current federal law and eliminate most remaining optional benefits (\$532 million).
- Reduce state employee salaries by an additional 5 percent (\$508 million).
- Eliminate the IHHS Program (\$495 million).
- Redirect additional county savings (\$325 million).
- Eliminate non-court required inmate rehabilitation programs, implement banked parole for low-risk serious and violent offenders, expand crimes where convicted felons will serve time in local jails, and increase the number of parolees each agent will supervise (\$280 million).
- Eliminate the Healthy Families Program (\$126 million).
- Eliminate funding for enrollment growth at the University of California and the California State University (\$111.9 million).
- Eliminate various health services programs funded by Proposition 99 (\$115 million).
- Make an unallocated reduction to trial courts (\$100 million).
- Freeze the level of the awards and income eligibility for Cal Grants (\$79 million).
- Eliminate funding for the Transitional Housing Placement for Foster Youth-Plus Program (\$36 million).

LEGISLATURE BEGINS 2010 SESSION

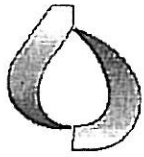
And so it begins again.

The second half of the 2009-2010 Legislative Session began on January 4, and will run through August 31. January 31 marks the first major deadline of the year, as all legislation introduced last year must be approved by the house-of-origin by this date.

Most legislators are currently busy preparing their list of measures for the upcoming session. February 19 is the deadline for all legislators to introduce new legislation. Policy hearings usually begin in March, ramping up in April and May as each measure must be approved by their assigned policy committee before May 7.

Each house, the Senate and Assembly, must approve all measures on the floor by June 4. Then measures pass to the other respective house for similar consideration over the next few months.

All measures must be approved by both houses and forwarded to the Governor by August 31. The Governor then has until September 30 to sign or veto each measure.



Inland Empire
UTILITIES AGENCY

Date: February 17, 2010

To: The Honorable Board of Directors

Through: Public, Legislative Affairs and Water Resources Committee (02/10/10)

From: Richard W. Atwater
Chief Executive Officer/General Manager

Submitted by: Martha Davis
Executive Manager of Policy Development

Subject: January Legislative Report from Geyer and Associates

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Bill Geyer and Jennifer West provide a monthly report on their state activities on behalf of IEUA.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

RWA:MD

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MEMORANDUM

TO: Rich Atwater and Martha Davis
FROM: Jennifer West
DATE: January 29, 2010
RE: Sacramento Legislative Report

Budget Update

The Department of Finance is reporting that the state will run out of available cash by April. The Governor's office continues to push for mid-year (09/10) budget cuts, but Legislative leaders are still debating whether to pass just one budget with all the cuts and potential revenue increases in late June. Much will depend upon whether the state begins issues IOUs. Although the full budget committees have met a few times, no public progress was made on budget issues in January.

Bill Introduction Deadlines

Your bill list is attached that includes the new water-related bill introductions and bills from last year that moved out of their house of origin in January. The deadline for new bills to be introduced is February 16. Because of the budget crisis, Legislative leadership is encouraging their respective houses to limit the number of bills they introduce.

Initiatives 2010

A number of initiatives are planned for the November and June 2010 ballots that could have a significant impact on local governments -- most critically the \$11.2 billion Water Bond planned for November.

A PG&E sponsored initiative that qualified for the June 2010 ballot would require local governments to obtain the approval of two-thirds of the voters before providing electricity to new customers or expanding such service to new territories if any public funds or bonds are involved. It also requires the same two-thirds vote to provide electricity through a community choice program if any public funds or bonds are involved.

Also circulating for potential inclusion on the November ballot is an initiative that prohibits the state from borrowing or appropriating tax revenues allocated to local government entities, redevelopment agencies and transportation projects, even in times of fiscal hardship.

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Inland Empire Utilities Agency

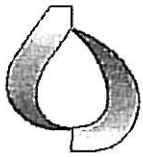
January 29, 2010

2010 Introductions	Summary	Status
<p>AB 1594 (Huber) co-authors Chesbro, Fong, Gaines, Torlakson and Yamada</p>	<p>AB 1594 prohibits the construction of the PC, unless expressly authorized by the Legislature. It requires the Legislative Analysts Office (LAO) to prepare an economic analysis of the peripheral canal that includes 1) the total cost of the construction project, 2) expected impacts of the construction program on the taxpayers, water ratepayers and the General Fund.</p> <p>It also requires that the construction and operation of a PC, not diminish or negatively affect water supplies, water rights or water quality for "water users within the Delta watershed." This is an ambiguous, undefined term.</p> <p>AB 1594 is identical to AB 7X 13 introduced in the water special session. The State Water Contractors have prepared a coalition letter to oppose AB 1594.</p>	<p>May be heard after Feb. 4</p> <p>AWPW</p>
<p>AB 1667 (Fuentes) Local Elected Officials</p>	<p>This bill would require that a person elected to a state or local public office maintain his or her place of residence within the jurisdiction within which voters are qualified to vote for the office during his or her term of office. The bill would require a person who violates this provision to immediately forfeit his or her office and would disqualify the person from holding any state or local public office in the future. The bill would provide that these provisions would apply retroactively to all persons holding state or local public office at the time of the effective date of the bill. Commencing with persons serving terms of office beginning on or after November 2, 2010, the bill would also make a violation of the residency requirement punishable by either a civil penalty not to exceed \$1,000 or a fine not to exceed \$1,000, imprisonment in a county jail for no more than 6 months, or by both fine and imprisonment. The bill would authorize a district attorney, a county counsel, or city attorney with enforcement authority to enforce a violation of these provisions.</p>	
<p>AB 1677 (Caballero) Special Water Session</p>	<p>This bill would state the intent of the Legislature to enact legislation to make necessary changes to statutes relating to water resources enacted during the 2009-10 7th extraordinary Session of the Legislature.</p>	
<p>SB 894 (Senate)</p>	<p>This bill would authorize an agency to publish a <u>summary</u> of</p>	

AWPW – Assembly Water, Parks and Wildlife Committee
 ANR – Assembly Natural Resources Committee
 SNRW – Senate Natural Resources and Water Committee

Omnibus Bill)	their regulations in a local paper for circulation, rather than the full regulation text. IRWD asked for this to be included in the bill.	
AB 1692 (Berryhill) State Agency Fines	This bill would require, notwithstanding any other law, that any fine or penalty imposed by the Department of Toxic Substances Control, the Division of Occupational Safety and Health in the Department of Industrial Relations, the State Air Resources Board, or the State Water Resources Control Board for a violation of a regulation adopted by that state agency be deposited into the General Fund.	
Two year Bills Passing out of their "House of Origin"	Summary	
AB 25 (Glimore) Water MMP	This bill seeks to permit the state and regional water control boards, in lieu of assessing a mandatory minimum penalty (MMP) for certain waste discharge violations, to instead elect to require a public school district or a publicly owned treatment works serving a small community of 20,000 persons or less to apply an amount of money equivalent to the MMP towards a compliance project to remediate the causes of the violations.	Senate
AJR 26 (Chesbro) Climate change.	This measure would request the Congress of the United States to establish a comprehensive framework and funding for natural resources adaptation for the protection and conservation of our nation's wildlife, habitats, coasts, watersheds, rivers, and other natural resources and ecosystems in the face of climate change.	Senate
SB 808 (Wolk) Delta Levees	The bill extends the sunset on the current Delta Levee maintenance subvention program's 75%-25% reimbursement rate from July 1, 2010 to July 1, 2016. The DSC (Delta Stewardship Council) to required to develop priorities for levee investment as part of the Delta Plan, due Jan 1, 2012.	Assembly

AWPW –Assembly Water, Parks and Wildlife Committee
ANR—Assembly Natural Resources Committee
SNRW – Senate Natural Resources and Water Committee



Inland Empire
UTILITIES AGENCY

Date: February 17, 2010
To: The Honorable Board of Directors
Through: Public, Legislative Affairs, and Water Resources Committee (02/10/10)
From: Richard W. Atwater
Chief Executive Officer/General Manager
Submitted by: Martha Davis
Executive Manager of Policy Development
Subject: January Legislative Report from Innovative Federal Strategies, LLC

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Letitia White provides a monthly report on their federal activities on behalf of IEUA.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

RWA:MD

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Innovative Federal Strategies LLC

Comprehensive Government Relations

MEMORANDUM

To: Rich Atwater and Martha Davis
IEUA

From: Letitia White and Heather Hennessey

Date: January 29, 2010

Re: January Monthly Legislative Update

Congress returned to work in January 2010 -- the House on January 12th and the Senate on January 19th -- to take up unfinished business left over from 2009. The three main bills Congressional leaders planned to complete were healthcare reform legislation, the debt limit increase and the jobs bill. But the unexpected upset in the Massachusetts Senate race took away the Senate Democrat's 60-vote super majority, stalling work on the healthcare overhaul and calling into question many other items on Congress' agenda.

In the meantime, the fiscal year 2011 budget and appropriations process has started. The President will send his FY2011 budget request to Congress the first week in February and details of his request have already started to leak out. The House Appropriations Committee has announced their Member deadline as March 19th and has drawn the line in the sand that earmarks will be reduced again this year. Most House and Senate Members have set their own internal office deadlines, the majority of which fall in February.

As you know from our recent phone calls and e-mails, Innovative Federal Strategies has turned its attention to your Fiscal Year 2011 appropriations priorities, refining your white papers, filling out forms and preparing everything we need for compelling funding requests. That process will remain our focus through February and March, and we will continue to update you as we move forward.

Second "Stimulus" or "Jobs Bill" Update

Many of you may have watched the President's State of the Union address. He certainly focused on job creation! Between now and the November elections, the Democratic majority intends to do everything with the economy and jobs creation in mind.

As you may remember, the House passed a \$154 billion "jobs bill" before going out of session in December. The bill redirects \$75 billion in unspent Troubled Asset Relief Program (TARP or bank bail-out) funds for transportation and education programs, as well as assistance to states and localities to help avoid layoffs of police officers, firefighters, teachers and other government workers. Highway, transit and other infrastructure programs would receive \$48 billion under the bill. The money would flow under near-identical conditions to the first stimulus funding that came earlier in 2009 and is subject to the same oversight requirements. \$31 billion of that

Innovative Federal Strategies LLC

money will go to highways and mass transit, and \$2 billion going to clean water programs. \$27 billion will go to hiring teachers, police, firefighters and job training.

The Senate appears to be taking a very different approach for their version of a job creation bill. While there are provisions for public sector job retention and \$29 billion for infrastructure construction, the Senate bill will also include job creation tax credit provisions and small business loan funding. The Senate's version of the bill must still clear a number of committees and the Senate floor before it can go through a conference process with the House bill. We will monitor the progress and keep you posted on possible funding that may be of interest to you.

Health Care Legislation

The President and Congressional leaders are looking for a way to wrap up healthcare overhaul legislation and bring back a compromise to the House and Senate that both chambers can support. Everyone seems to agree that the sweeping changes once envisioned are not possible after the loss of the late-Senator Kennedy's Senate seat to Republican Scott Brown. Without their 60-vote supermajority, Senate Democrats are not able to invoke cloture on a Republican filibuster.

Thus it appears that the plan of attack will be a strategy of passing less-sweeping components of healthcare reform as stand-alone bills. One of those measures, which would repeal the health-insurance industry's antitrust exemption, could come to a vote in the House as early as next week. If you have any specific questions or concerns about the healthcare bill, please let us know.

Debt Limit Update

On Thursday, January 28th, the Senate passed legislation to increase the statutory debt limit to \$14.3 trillion, a \$1.9 trillion boost. Needless to say, debt limit increases are highly controversial and politically unpopular. There is intense pressure to be finished with the debt limit debate very early in the year so that voters might forget about it between now and November. The Senate also adopted a pay/go amendment requiring any mandatory spending increases or tax cuts to be offset. Both were party line (60-40) votes. House leadership will try to vote on the same provisions next week.

Transportation Authorization Legislation

This bill seems to be on the back burner for at least a little longer. With all the turmoil surrounding the Massachusetts Senate race, healthcare, the debt limit and the jobs bill, there has not been much talk of the TEA bill. Since this is one major way to create jobs, we feel confident that it will come back to the forefront in the months ahead.

We will keep you posted. Please let us know if you have any questions.



Date: February 17, 2010

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (02/10/10)

From: Richard W. Atwater
Chief Executive Officer/General Manager

Submitted by: Martha Davis
Executive Manager of Policy Development

Subject: January Legislative Report from Agricultural Resources

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Dave Weiman provides a monthly report on his federal activities on behalf of IEUA.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

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Agricultural Resources

635 Maryland Avenue, N.E.
Washington, D.C. 20002-5811
(202) 546-5115
(202) 546-4472-fax
agresources@erols.com

January 27, 2010

Legislative Report

TO: Richard W. Atwater
General Manager, Inland Empire Utility Agency

FR: David M. Weiman
Agricultural Resources
LEGISLATIVE REPRESENTATIVE, IEUA

SU: Legislative Report, January 2010

Highlights:

- *Second Session Begins – State of the Union and Release of the Budget Pending.*
- *Senate Version of Jobs Bill – Zero for Water (House, \$20 Million for Title XVI)*
- *Napolitano Water Subcommittee Field Hearing in LA (MWD Headquarters) Addresses “Stretching” Water Supplies*
- *Napolitano Mini-Summit on Title XVI*
- *Climate Bill – Status*
- *Secretary Salazar – Interior “Plan” for Delta, California Water – Key to Implementation – Pending Budget*
- *Drought Conditions/Water Supply*
- *News and Notes*
- *IEUA Working Partners*

Second Session Begins – State of the Union and Release of the Budget Pending. The

State of the Union has measurably altered during the past 60 days. On January 27, the President will deliver the State of the Union address to a Joint Session of Congress. Early next week, the Administration will deliver its proposed budget to Congress. In the interim, the electorate has demonstrated outright anger, especially at banks who are hastily repaying loans so they can give pay bonus payments to themselves, the Senate seat in Massachusetts switched from D to R denying the Ds the 60th vote, and the President will propose a budget freeze of some kind. In short, the political landscape is ever-changing – abruptly. Right now, little is predictable and nothing is usual. The agenda for this session is unclear. The fate of health care? Unclear. Status of climate change? Unknown. We have now entered a very destabilized period and this occurs at the top of an election year.

Senate on Jobs Bill – Zero For Water. Last month, I reported that, at the close of Congress, the House passed a Jobs bill which contained \$100 million for the Bureau of Reclamation, \$20 million of which was designated for the Title XVI program. The Senate’s first step in the Jobs Bill process presented a bill – with nothing in it for water programs. Numerous water groups are responding.

Napolitano Water Subcommittee Field Hearing in LA (MWD Headquarters) Addresses “Stretching” Water Supplies. In later January, Chairwoman Napolitano’s Water and Power Subcommittee went to Southern California to receive testimony from California water leaders. Among the witnesses – Peter Gleick, President Pacific Institute. Napolitano, back in August, wrote Secretary Salazar urging that 1 MAF of new water be created – through Title XVI and various urban and agricultural conservation initiatives. Gleick’s testimony took the 1 MAF goal and attempted to build a blueprint for how to achieve it. Numerous witnesses called for an expanded use of Title XVI. Water agencies see local projects as their “solution” in the short term.

Napolitano Mini-Summit on Title XVI. Rep. Grace Napolitano hosted a “Title XVI” mini-summit in her District in late January attended by some 30 or so local water leaders. IEUA attended. The Congresswoman is deeply concerned that the Bureau of Reclamation continues to be indifferent (if not silently opposed) to the program. She wanted the water users to understand what was happening and begin a discussion of what could be done to correct it.

Climate Bill – Status. The fate of a comprehensive climate-energy bill is uncertain as this session of congress returns to work. Senator Boxer, Chair, Senate Environment and Public Works Committee, is working hard to position a bill for markup. It was widely assumed that after the Congress completed action on the health care bill, a comprehensive climate change and energy package would be next.

Salazar – Interior Department Delta Water Plan. Last month, I reported that the Salazar “Plan” was announced. It was, at the time, criticized for a lack of specifics. In the past 30 days, the departmental proposal has not improved. Few specifics or priorities have emerged. It is anticipated, however, that when the Administration’s budget is released on February 1, those

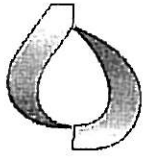
priorities will be identified. And, over the past month, the issue getting the most attention in discussions here in Washington – timetable. The question emerges – whatever is recommended, “*WHEN will funding be available, WHEN will construction commence, WHEN will projects be completed, and WHEN will new water supplies become available?*” Secretary Salazar promised more information and discussion on water recycling – as part of his plan – in February.

Drought Conditions and Water Supplies. This is the first time in almost a year when I can report that the NOAA/USDA Drought Monitor is showing signs that drought conditions are lessening – weakening – throughout California and the West (mostly). Southern Nevada and northeast Arizona are still in moderate to severe status. The storms of the past month are now beginning to be reflected in these reports. While strong storms have helped (snowpack in North California is, according to DWR, at 119% of water content but that’s not meaningful until April 1). Most of California is still considered “dry” with a small portion in Western San Bernadino and Imperial Counties reporting moderate to severe conditions. These recent storms do not end the drought, but they certainly help.

IEUA Continues to Work With Various Partners. On an on-going basis in Washington, IEUA continues to work with:

- a. Metropolitan Water District of Southern California (MWD)
- b. Milk Producer's Council (MPC)
- c. Santa Ana Watershed Project Authority (SAWPA)
- d. Water Environment Federation (WEF)
- e. Association of California Water Agencies (ACWA)
- f. WateReuse Association
- g. CALStart
- h. Orange County Water District (OCWD)
- i. Cucamonga Valley Water District (CVWD)
- j. Western Municipal Water District
- k. Chino Basin Watermaster
- l. Western Urban Water Coalition
- m. National Water Resources Association

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Date: February 17, 2010

To: The Honorable Board of Directors

Through: Public, Legislative Affairs and Water Resources Committee (02/10/10)

From: Richard W. Atwater
Chief Executive Officer/General Manager

Submitted by: Sondra Elrod
Public Information Officer

Subject: Public Outreach and Communications

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Calendar of Events

February 2010

- February 23 - 25, ACWA DC Conference
- February 27, Garden in Every School® Workshop

March 2010

- March 7 - 9, WaterReuse Annual Conference, San Diego
- March 8 - 10, CASA DC Conference
- March 15, IEUA hosted Special District Dinner, Panda Inn, 6:00 p.m.
- March 16, Annual Legislative Reception at Chops Restaurant in Sacramento hosted by the Water Agencies of the Inland Empire
- March 30 – April 5, IEUA Hosts Travelling Art Show, HQA Lobby

April 2010

- April 7, Employee Service Award luncheon, Event Room, noon
- April 10, Water Awareness Day, Cucamonga Valley Water District
- April 17, Project Learning Tree Workshop, IEUA Event Room
- April 22, IEUA Earth Day in the Park, 4:00 p.m. to 6:00 p.m.
- April 23 - 25, Director Santiago's SWP tour

Outreach/Educational Inland Valley Daily Bulletin Newspaper Campaign

The monthly tips on ways to help conserve water continue to appear in our local newspapers each month.

Water Conservation Outreach

IEUA is continuing to work with conservation partners to plan the Regional Conservation message. The slogan is *Saving Water...It's the Right Thing to Do*. The movie theatre campaign will begin appearing on May 28, and run through the end of September.

Regional Conservation Outreach Campaign

- Ongoing monthly ¼-page ads in the Inland Valley Daily Bulletin, Champion Newspaper, Fontana Herald News, La Opinion, and Inland Empire Magazine.
- Ongoing water wise gardening classes.
- Billboards.

Agency Tours

Tours of RP-5 wastewater plant and solar, plus tour of the HQ were given to USC students, SCAP participants, and Inland Empire Urban Forest Council during January.

Educational Updates

- IEUA and SAWA distributed packets to a school in IEUA's service area for World Wetlands Day.
- Ayala High School's (City of Chino Hills) Solar Cup boat is being built during an Engineering class. The students have discovered more efficient ways to test the speed and accuracy of the boat that will be competing at the Solar Cup in May. There is a total of 37 teams participating in this year's Solar Cup competition.
- IEUA will be hosting the Travelling Art Show March 30-April 5. This is the time where all the winners within MWD's service area will be displayed in the HQA Lobby.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The above mentioned activities are budgeted in the FY 2009/10 Public Information Services budget.

DRAFT PEACE II CEQA Schedule

Version Date – (2/2/10)

(Dates meant to be approximate)

1/1/08—TDA will finish draft Project Description for review. It will describe the project and the major issues. WEI, IEUA and CBWM are expected to provide key input. (COMPLETE)

1/15/09—TDA will provide WEI with a list of supporting exhibits needed (tables, graphs, charts, etc.) (COMPLETE)

2/20/09—TDA will release draft Initial Study and Notice of Preparation. (COMPLETE)

3/11/09—IEUA/CBWM will hold a Scoping Meeting so other agencies (water mgt agencies and regulatory agencies) will identify their concerns. (COMPLETE)

11/11/09—WEI will perform any necessary modeling, such as overlaying the Peace II and DYY models and looking at water level impacts, and prepare a Report. (COMPLETE)

3/15/10—SEIR Document released for public for review for 45 days.

5/1/10—End of 45-day public review period.

5/19/10—TDA finishes responses to comments.

June 2010—IEUA Board adoption.

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CHINO BASIN WATERMASTER

IV. INFORMATION

1. Newspaper Articles



dailybulletin.com

Streets flooded

Storm pummels Inland Valley

Mediha Fejzagic DiMartino, Staff Writer

Created: 01/19/2010 09:38:47 PM PST

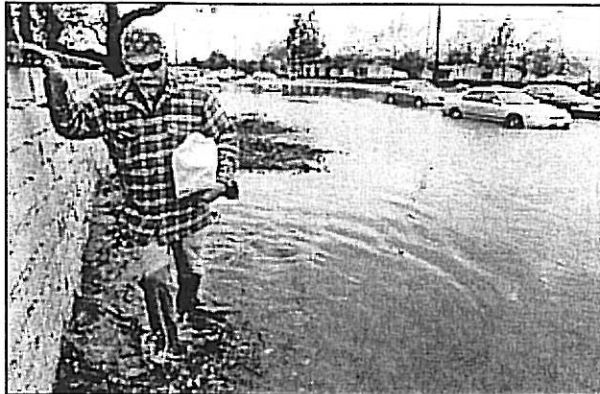
Photo Gallery: Tuesday's storm

Rescue workers were kept busy Tuesday helping Inland Valley residents who misjudged the power of heavy rains that continued to pound the area.

The region was bombarded with heavy rainfall that resulted in flooded roadways in local communities and heavy snowfall at local ski resorts.

San Antonio Heights was pounded with 1.8 inches of rain during a 24-hour period that ended at 4 p.m. The National Weather Service reported Mt. Baldy had from 6 to 12 inches of snow.

Tuesday was the second day of what forecasters predict will be a four-day series of storms.



Dan Maki of Ontario trudges along a flooded Philadelphia Street in Ontario on Tuesday afternoon, trying to return to his mother's house after going to the store for her. The second storm to hit the Inland Valley in as many days resulted in stalled vehicles in high water along Philadelphia Street at Parco Avenue in Ontario on Tuesday afternoon. (Will Lester/Staff Photographer)

The day was highlighted by the Montclair and Los Angeles County fire departments working together to rescue two boys from the San Antonio Channel near Grand and East End avenues on the Los Angeles County-San Bernardino County line near Pomona.

A call from a passerby came in at 2:46 p.m. that two boys - ages 10 and 12 - were stuck in fast-moving water about two feet deep, according to the county Fire Department.

"We put down some ropes and told them to wrap them around themselves," Montclair fire division Chief Steve Jackson said.

After the firefighters assisted the boys up the ladder, the pair appeared cold but unharmed.

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They were transported to a hospital as a precaution.

"Just stay out of the water," said Steve Zermeno, an inspector with the L.A. County Fire Department. "Even if it's just a foot of water and it looks fun. Those channels are very slippery and because they are used for flash floods, water can build up very rapidly. Don't even think about getting in."

The Ontario Fire Department said numerous vehicles were caught in flooded intersections just north of the 60 Freeway. Seven cars were stuck in floodwater about 1:30 p.m. at Philadelphia Street and Parco Avenue.

"All the water (from Tuesday's thunderstorm) dumped down into Philadelphia and flooded the area," Ontario fire Battalion Chief Rick Rodgers said.

Firefighters rescued an elderly couple by driving their fire engine to the flooded vehicle and plucking them to safety, Rodgers said. The rest of the people stuck in the vehicles were able to climb out.

Nearby, at the flooded intersection of Francis Street and Grove Avenue, Johnny Gonzalez of Ontario helped pull cars out with his four-wheel-drive Jeep Wrangler.

"I love it," Gonzalez said after he helped pull out a utility truck stuck in water two to three feet deep. "We don't have rain like this all the time."

Gonzalez, after being asked what recommendation he could give to drivers so as not to get stuck, said, "Don't get in the water if you don't have a boat."

Omar Friedman said the city needs to immediately fix the intersection's water problems.

"Every time it rains we get the same thing," Friedman said, observing a Mitsubishi Lancer stuck in the water with a driver inside that was soon towed by Gonzalez.

"Everyone gets stuck here," he said. "It's crazy."

The intersection of Grove and Francis is always a big problem during rain season, Rodgers said.

"(Flooding) happens every year," he said.

During thunderstorms, vehicles need to "route around" the intersection, as well as Walnut Street and Philadelphia, Rodgers said.

As of 2:15 p.m., Grove was open. But Francis, west of Grove, and Philadelphia, east and west of Grove, was still closed due to the high water.

Staff writers Wes Woods and Lori Consalvo contributed to this report.

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Drought's not over, but rain helps a bit

Mediha Fejzagic DiMartino, Staff Writer

Created: 01/20/2010 10:14:48 PM PST
Never mind the flooded streets. The drought isn't over just yet.

"This rain doesn't come close to ending it," said Ken Manning, CEO of the Chino Basin Watermaster. "We need five years like this in order to be over the drought."

The Inland Valley has received three to four inches of rain so far this week, a significant amount but not enough to compensate for the past few relatively dry winters.

But Manning said he will take whatever he can get.

"I'm absolutely elated that it's raining," he said. "When I see rain, I think of it as free water for residents of Chino Basin. It saves us from having to import the water and putting the strain on the Sacramento Delta."

The Watermaster board oversees the process of capturing the storm runoff and sinking it into the ground for future use in an area from Pomona to Fontana and from the mountains to the Santa Ana River. The agency has been anticipating the most recent series of downpours, Manning said.

"This is what we prepare for all year," he said. "We have a very good setup to capture anything that falls north from the 10 Freeway. South of the 10 we are not quite as efficient."

Rainfall and storm runoff is collected in the local catch basins. When the basins fill up, the remainder flows south to Orange County via the Santa Ana River.

Ideally, Manning's perfect storm would last only a day and be followed by a week of sunshine, allowing water to percolate into underground storage, and then be followed by similar cycles.

"Our basins would be much more efficient," he said.

To maximize water retention, the Watermaster is looking to improve its facilities and build a number of new or large basins.

The final list of proposed projects will be unveiled in the next couple of months, Manning said. An \$11.1 billion overhaul of the state water system will be on the ballot in November. If approved, it will allocate 25 percent of matching funding to all new water management construction projects.

"It's a good storm," Manning said. "But we have a lot of work to do to capture water and get into storage both underground and above ground in the state of California."

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- Report reveals negative reaction to No Child Left Behind
- Crime and Public Safety, January 27
- Upland passes water-conserving landscape ordinance
- Fugitive arrested in Pomona
- Sonya Stewart wins Pomona Host Lions Club Student Speakers Contest

Upland passes water-conserving landscape ordinance

Sandra Emerson, Staff Writer
Created: 01/26/2010 05:03:23 PM PST

UPLAND - The City Council has passed a tentative ordinance that will place tighter water conservation standards on new construction and large landscape renovations within the city.

The state Water Conservation in Landscaping Act of 2006 required all cities and counties to adopt updated water-efficient landscape ordinances or adopt the state model ordinance.

This Upland ordinance establishes a maximum water usage amount for new construction or large landscaping in order to prevent water waste, such as runoff, over-watering and over-spraying.

Forty to 60 percent of water use in a household is for landscaping, said Karen Peterson, Upland senior planner.

"With this ordinance, landscaping throughout the city will change, but not significantly," Peterson said.

A water-efficient landscape does not need to have the desert look or be limited to native plants.

Residents will be able to choose their plants as long as the overall landscaping does not use excessive amounts of water, Peterson said.

Upland's ordinance is based on the Chino Basin Model Landscape Ordinance which was developed by the Inland Empire Utilities Agency's Landscape Alliance Board.

The board is comprised of local officials and water agency representatives from several cities surrounding Upland.

Staff will need to develop educational materials for the public, revise existing application materials, go through training and develop auditing

and monitoring procedures, according to the staff report.

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Homes that are part of the city's residential rehabilitation project and historical homes are exempt from the ordinance. Projects that do not require a permanent irrigation system are also exempt.

Required to comply:

- Non-residential private and public agency projects: New construction and rehabilitation of landscapes of 2,500 square feet or more.

- Residential projects: new construction and rehabilitation of landscapes for developer installed residential projects of 2,500 square feet or more.

- Residential projects: new construction of landscapes for homeowner-installed residential projects of 5,000 square feet or more. Construction of landscapes smaller than 5,000 square feet and rehabilitation projects of any size are exempt.

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Capture, reuse precious resource

Created: 01/30/2010 04:39:59 PM PST

In Southern California, storms are short and water shortages are long. It might not seem like it after the recent spate of storms, but we still have long-term water problems.

There's a better way than the current system in which Southern California hunkers down for the few days of deluge each year, allowing precious storm water to tear down our streets, clog up storm drain screens, rush down river basins carrying trash and endangering lives.

True, there is some forward thinking, especially here in the Inland Valley where Chino Basin Watermaster has been improving rainwater-capturing capacity.

"We have a very good set-up to capture anything that falls north from the 10 Freeway," said Ken Manning, Watermaster CEO. South of the freeway, the catch basins are less efficient.

Any water captured to replenish the basin means that much less water has to be imported from Northern California.

The city of Los Angeles has started a modest rainwater collection project which is currently being piloted in a small portion of the city. Pasadena is exploring, in cooperation with the L. A. County Flood Control District, getting

rainwater into underground aquifers through the installation of giant cisterns.

These programs are great, but literally just drops in the bucket when it comes to the region's water needs.

So good for Rep. Grace Napolitano, D-Santa Fe Springs, for holding a congressional hearing on water in Southern California, not in the Central Valley, as important as that region is on water issues.

The vast majority of the water that is used in California is indeed used in the Central Valley. That's where the centuries-old arguments and power plays about water rights are central to economic life.

While we may use far less water than our rural neighbors to the north, our lives are and will continue to be greatly impacted by water's availability.

Napolitano, who represents Pomona, clearly gets it - the recent rains are "certainly a nice relief," she said at Metropolitan Water District headquarters, but they "are not the long-term solutions to addressing the issues that underlie our water dilemma."

There are huge infrastructure, legal and political issues at play here.

Meanwhile many residents are making their own water solutions. Xeriscapers - those who garden

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for our Mediterranean climate - have become the leading-edge crusaders for living within our water means. Many have installed their own rain-capture barrels. They are akin to the early adapters of rooftop solar panels for electricity a decade ago, paving the way for the rest of us to go green - or even a little browner - in their wake.

Now it's time for more comprehensive approach. Storm tracks like the recent one dump enough rain on the average suburban homestead to irrigate it all year long. Imagine what a wide-scale effort across the region could do.

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Water agencies meet, discuss self-sufficiency

Liset Marquez, Staff Writer

Created: 02/08/2010 10:31:50 PM PST
 ONTARIO - With dwindling water supplies, agencies throughout California are grappling with how to survive under the current drought conditions.

Regional water experts convened Monday to discuss options to be more self-sufficient, such as groundwater, recycling and conservation.

"I don't know if there is one solution to self-sufficiency. There is no silver bullet, but you and your water agencies will have to figure out yourself," Chino Basin Watermaster CEO Ken Manning said to the others in attendance.

An issue of concern to many water agencies was "fixing the Delta" or paying for infrastructure investments needed in the Sacramento-San Joaquin Delta. A judge has halted much of the water pumping there to protect the tiny delta smelt fish.

A \$11.1 billion bond has been created to overhaul the state's water system and will be on the ballot in November.

"The whole idea on the bond and selling an \$11 billion bond in this environment is not going to be easy," Manning said.

If passed by voters, the Safe, Clean and Reliable Drinking Water Supply Act of 2010 would pay for new dams, groundwater cleanup, conservation and habitat restoration. A significant component of the bond is dedicating \$2.25 billion in funding to Delta sustainability.

The court order has already affected many water agencies, which have had their rates increased by their major supplier, said Chris Frahm, a San Diego-based attorney who lobbies for the California Groundwater Coalition, which represents groundwater managers from agencies across the state.

In some cases, farmers could no longer afford to water their crops and orchards, Frahm said. This has resulted in lost jobs, she said.

The bond has received support from several state water agencies but has been opposed by other groups, including the Planning and Conservation League, Frahm said.

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The league's opposition stems from potential impacts to the environment, the state's economic crisis as well as the billions of dollars in past bonds that have not been spent, she said.

"If we don't do something to fix the Delta now, it will potentially have severe impacts to the water supply," Frahm said.

For the first time, Frahm said, the bond will direct a substantial amount of the money to groundwater infrastructure.

About 20 years ago, the belief was to import water and build pipes bigger and bigger as a means to meet population growth, she said. But since then, the focus has been on building local resources rather than importing from the Delta.

The bond would help groundwater agencies improve facilities, Frahm said.

The question is who is going to be willing to pay for the Delta fix, Manning said.

Gathering voter support will mean educating the public on the necessity of the bond and what it means to the water resources in the state, said Andrew Stone, executive director of New Hampshire-based

American Ground Water Trust.

But water matters are often complex, and in order for customers to understand, water agencies simplify the issues, he said. By doing that, customers don't fully understand the system and what it takes to import or clean water, he said.

"The biggest challenge we have is that we don't pay enough for water," Stone said.

Stone said they need to understand that if water rates are raised by a few percent, many of the water problems could be solved.

If the Delta is the ultimate solution, "we're looking at 10 to 15 years before we have that fixed," said Rick Iger, a principal engineer with GEI Consultants' Bookman-Edmonston division.

The conference was also an opportunity to educate water agencies on the limitations they face as public agencies to supporting the bond, Frahm said. Water agencies are not allowed to campaign or spend any public resources on the bond, Frahm said.

But as a water agency, they do have an obligation to educate the public and customers about what the measure entails, she said.

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The bond, because of its environmental impacts and the current economy, will be hotly contested, Frahm said.

If it does not pass, Frahm said she believes the bond will not go away.

The water conference was organized by the Association of Ground Water Agencies and the American Ground Water Trust.

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